City of Saginaw, Texas

Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2025

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City of Saginaw

City of Saginaw, Texas

Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2025

Prepared By
The City of Saginaw, Texas
Finance Department

City of Saginaw

City of Saginaw, Texas

Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2025
Table of Contents

	Page
Introductory Section	
Letter of Transmittal	i
Principal Officials	vi
Area Map	vii
Certificate of Achievement for Excellence in Financial Reporting	viii
Organizational Chart	ix
Financial Section	
Independent Auditor's Report	3
Management's Discussion and Analysis (Unaudited)	7
Basic Financial Statements	
Government–Wide Financial Statements	
Statement of Net Position	19
Statement of Activities	20
Fund Financial Statements	
Balance Sheet – Governmental Funds	24
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	25
Statement of Revenues, Expenditures and Changes in Fund Balances	26
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	27
Statement of Net Position – Proprietary Fund	31
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Fund	32
Statement of Cash Flows – Proprietary Fund	33
Notes to Basic Financial Statements	35
Required Supplementary Information	
Schedule of Changes in Net Pension Liability and Related Ratios	68
Schedule of Contributions	69
Schedule of Changes in Total OPEB Liability and Related Ratios	70
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	71
Combining and Individual Fund Financial Statements and Schedules	
Combining Financial Statements – Non-Major Governmental Funds	
Combining Balance Sheet	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	77
Comparative Balance Sheets Saginaw Crime Control and Prevention District	80
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Saginaw Crime Control and Prevention District Fund	81
Comparative Balance Sheets Police Fund	82
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Police Fund	83
Comparative Balance Sheets Drainage Utility	84
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Drainage Utility Fund	85

City of Saginaw, Texas
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2025
Table of Contents – Continued

	Page
Combining and Individual Fund Financial Statements and Schedules Continued	
Comparative Balance Sheets Street Maintenance	86
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Street Maintenance	87
Comparative Balance Sheets Donations Fund	88
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Donations Fund	89
Comparative Balance Sheets Beltmill PID Fund	90
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Beltmill PID Fund	91
Comparative Balance Sheets TIRZ 1 Fund	92
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual TIRZ 1 Fund	93
Comparative Balance Sheets Escrow Fund	94
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Escrow Fund	95
Comparative Balance Sheets Debt Service Fund	98
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Debt Service Fund	99
Comparative Statements of Net Position Enterprise Fund	102
Comparative Statements of Revenues, Expenses and Changes in Net Position Enterprise Fund	103
Comparative Statements of Cash Flows Enterprise Fund	104
Statistical Section (Unaudited)	
Net Position by Component	110
Changes in Net Position	112
Fund Balances, Governmental Funds	116
Changes in Fund Balances, Governmental Funds	118
Property Tax Levies and Collections	120
Assessed and Estimated Actual Value of Taxable Property	121
Property Tax Rates - All Direct and Overlapping Governments	122
Principal Taxpayers	123
Ratio of Outstanding Debt by Type	124
Ratio of General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita	125
Computation of Direct and Overlapping Bonded Debt	126
Schedule of Revenue Bond Coverage	127
Computation of Legal Debt Margin	128
Demographic Statistics	129
Principal Employers	130
Full-Time Equivalent City Government Employees by Function/Program	131
Operating Indicators by Function/Program	132
Continuing Financial Disclosures Tables	134
Federal Awards Section	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	145
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance	147
Schedule of Findings and Questioned Costs	150
Summary of Prior Audit Findings	152
Schedule of Expenditures of Federal Awards	153
Notes to Schedule of Expenditures of Federal Awards	154

Introductory Section

City of Saginaw

City of Saginaw

City of Saginaw

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Saginaw, Texas 76179
817-232-4640
Fax 817-232-4644
www.ci.saginaw.tx.us

February 3, 2026
Citizens of the City of Saginaw,
Honorable Mayor Todd Flippo,
Members of the City Council,

The Saginaw City staff is pleased to submit the Annual Comprehensive Financial Report of the City of Saginaw, Texas, for the fiscal year ended September 30, 2025. The purpose of the report is to provide the Council, management, staff, public and other interested parties with detailed information reflecting the City's financial condition.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data is accurate in all material respects and is presented in a manner that fairly sets forth the financial position and results of operations of the City. We also believe that all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included. The financial statements included in the report were prepared by the General Administrative Office in accordance with generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB). Weaver, LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2025. The independent auditor's report is located at the front of the financial section of this report.

The Financial Section includes the Management's Discussion and Analysis (MD&A). The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement and should be read in conjunction with the MD&A.

The Reporting Entity

The City of Saginaw sits solidly in the heart of the Dallas-Fort Worth Metroplex. Saginaw remains an agribusiness center for much of Texas with some of the largest grain storage facilities in the United States.

The City of Saginaw is located in Tarrant County, nine miles north of downtown Fort Worth and 37 miles west of Dallas. The Fort Worth Federal Bureau of Printing and Engraving facility is located six-tenths of a mile from Saginaw. The Alliance Airport and Texas Motor Speedway are also located just north of Saginaw (within 14 miles). The City's corporate boundaries comprise a total of approximately 7.75 square miles. Saginaw's population from the 2000 Census was 12,374; the 2010 Census was 19,806; and the 2020 Census was 24,860 (a 26% increase in the last ten years).

The City was incorporated in 1949 and is operating under a Charter adopted on January 19, 1988 and amended May 4, 2019. The City has a Council/Manager form of government, with the City Council comprised of seven members including the Mayor. All seven Council members are elected by place number and at large for three year staggered terms. The City Council is responsible for adopting ordinances and regulations governing the City, adopting the budget, determining policies, and appointing the City Manager, City Attorney, City Secretary, and Judge of the Municipal Court, as well as members of boards and commissions. The City Manager is responsible to the Council, for appointing and supervising employees of the City (except for those appointed by the Council) and for preparing and administering the annual budget and capital improvements program.

Services Provided

The City provides a full range of municipal services including general government, police and fire protection, street maintenance, building inspection services, library services, recreation, animal services, parks operation and maintenance, and maintenance and operation of City-owned buildings. The City of Saginaw contracts with the City of Fort Worth for water purchase and wastewater treatment. A franchise has been granted to a privately-owned firm for solid waste collection, disposal, and recycling services. Commercial customers contract directly with the firm while residential customers contract through the City, with fees added to their municipal utility bills.

This report includes the financial statements of the funds required to account for those activities, organizations and functions which are related to the City and are controlled by or dependent upon the City's governing body, the City Council. The criteria used by the City for including activities in preparing its financial statements are set forth by the GASB. Based on these criteria, all municipal services listed are included in the City's 2024-2025 financial statements.

Basis of Accounting

The City's accounting records for general governmental operations are maintained on a modified accrual basis. Under this method of accounting, expenditures are recognized when the services or goods are received and the liability is incurred. Revenues are recognized when measurable and available. Accounting records for the City's Water and Wastewater Enterprise Fund are maintained on the accrual basis. Expenses are recognized when a commitment is made and revenues are recognized when they are earned and due to the City.

Budgetary Controls

The City Charter requires that the City Manager prepare and submit a proposed budget for the fiscal year beginning October 1st to the City Council at least 45 days prior to the beginning of the fiscal year. The operating budget includes proposed expenditures and the means of financing them. Public hearings are held and the budget is adopted at a City Council meeting prior to the first day of the fiscal year.

Following adoption of the budget by the City Council, the City Manager and department heads monitor expenditures and revenues throughout the year to ensure that the integrity of the budget is maintained. The Charter requires City Council approval for a transfer of funds from one department to another. Any revisions that alter the total expenditures of any fund must be approved by ordinance of the City Council.

Internal Controls

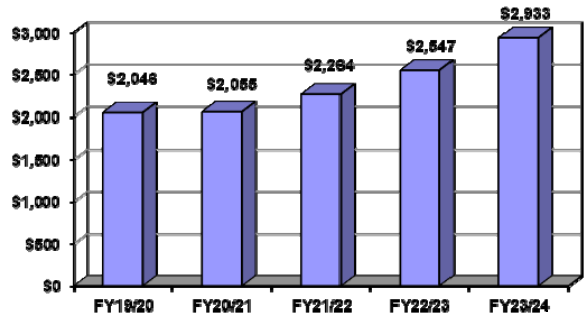
One of the objectives of the City's financial accounting system is to provide an internal control structure designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe the City's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

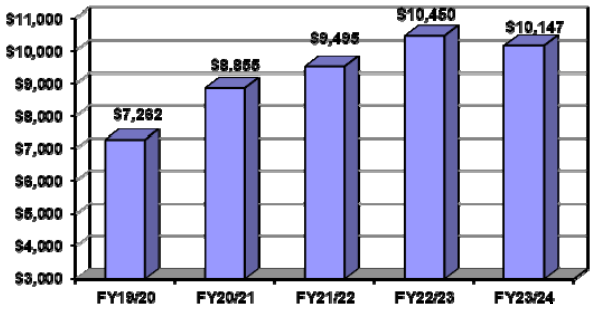
Summary of Local Economy

The local economy in Saginaw remained strong through the fiscal year. Sales tax collections are steady and commercial and residential development continues. Our industrial base is composed of food manufacturer/processors, building material suppliers, transportation, flour milling and other essential businesses. For 2025/2026 the City had $23 million ($4M residential and $19M commercial) in added value from new construction. New businesses include eight new restaurants, the third phase of an assisted living development, and a strip center. The expansion of a large food processor was completed. Sales tax collections for the current fiscal year to date are 5% higher than last fiscal year to date collections

TAXABLE PROPERTY VALUES
(in millions)



SALES TAX COLLECTIONS
(in thousands)



Economic Prospects for the Future

Three mixed used developments, an industrial warehouse, and a professional business park are under construction. A fourth mixed use development is in the planning stages. The redevelopment of the former Fire Station/Senior Center will begin in the coming months. Several single family and homes for rent neighborhoods are under construction. The mixed use development projects include residential, office, commercial, retail, and restaurants will continue to add to the City’s tax base. Saginaw remains an attractive place for new homes and businesses due to our location, land availability, easy freeway access, good schools, low tax rates, and the general quality of life.

Long Term Financial Planning

The current General Fund Reserve Policy states "The City will maintain and Emergency Reserve Fund balance in the General Fund of 25% of the operating budget." The Enterprise Fund Emergency Reserve needs to be sufficient to operate the Water Department for 90 days. Both of these funds are to be used only in an emergency and only with Council approval. We are currently in compliance with both of these policies.

The City's Comprehensive Master Plan was updated and approved by the City Council on March 1, 2022. The five-year Capital Improvements Plan was updated as part of the budget process. The plan focuses on completing infrastructure to support development, rehabilitating aging infrastructure, and maintaining existing infrastructure. The capital improvements plan is funded with 2020 Certificate of Obligations, the 2021 voter approved General Obligation bond program, fund balances, and revenues from the Street Maintenance Fund, and the Drainage Utility Fund. Voters approved all three bond propositions (Street and Roadway improvements, Parks improvements and new Senior Center, and a new Library) in the May, 2021 election.

Knowles Drive reconstruction Phase 1 was completed and construction for Phase 2 and 3 is substantially complete. The Library/Senior Center construction was completed. McLeroy is in various stages of design and the first phase of construction will begin this year. The reconstruction of North Old Decatur Road will also begin this year. Opal Jo Jennings Park improvements are completed and Brain Schengler Park improvements are near completion. Reconstruction, including water line replacement, of the first phase of Opal Street will begin this year. Construction will begin on the Fairmont Sanitary Sewer Rehabilitation Phase 2, the 12" water line along West McLeroy, a chloramine facility, and various inflow/infiltration remediation projects. Street projects, park improvements, and an Animal Shelter are currently being evaluated for a 2026 bond election.

OTHER INFORMATION

Independent Audit

Article XII, Section 12.06 of the City Charter requires an annual audit by independent certified public accountants. The annual audit must be available for public inspection no later than one hundred eighty days after the close of the City's fiscal year. The accounting firm of Weaver and Tidwell, L.L.P. was selected by the City Council. The independent auditors' report on the general purpose financial statements and supplemental statements and schedules is included in the financial section of this report.

Certificate of Achievement

The City of Saginaw was awarded a Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2024 from the Government Finance Officers Association of the United States and Canada (GFOA). This certificate is awarded to governmental units who publish easily readable and efficiently organized annual reports which satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate is valid for a one year period. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA. The City also received GFOA's Award for Distinguished Budget Presentation for its 2024-2025 annual budget document. In order to qualify for the Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization. Together the Budget Award, along with the previously mentioned award are evidence of the Finance Department's dedication to producing documents that effectively communicate the City's financial condition to the elected officials, city management and the general public.

The City of Saginaw was awarded the Texas Comptroller of Public Accounts transparency star for traditional finances in 2025 and continues to provide readily accessible financial information to maintain the recognition.

Acknowledgments

The preparation of this Comprehensive Annual Financial Report was made possible by the dedicated service of the entire staff of the General Administrative Office and our independent auditors. We would like to express our sincere appreciation to all of our employees who contributed to the preparation.

In closing, we would also like to thank the Mayor and City Council for their leadership and support in planning and conducting the financial operations of the City.

Respectfully submitted,

Gabe Reaume, City Manager

Respectfully submitted,

Kim Quin, Finance Director

City of Saginaw, Texas

Principal Officials
September 30, 2025

GOVERNING BODY

Todd Flippo ..... Mayor

Paul Felegy ..... Mayor Pro-Tem, Councilmember, Place 1

Nicky Lawson ..... Councilmember, Place 2

Valerie Junkersfeld ..... Councilmember, Place 3

Brack St. Clair ..... Councilmember, Place 4

Shawn Morrison ..... Councilmember, Place 5

Mary Copeland ..... Councilmember, Place 6

ADMINISTRATION

Gabriel Reaume ..... City Manager

Lee Howell ..... Assistant City Manager

Kim Quin ..... Finance Director

Janice England ..... City Secretary

Lorraine Irby ..... Municipal Court Judge

Russell Ragsdale ..... Police Chief

Doug Spears ..... Fire Chief

Randy Newsom ..... Director of Public Works

Jarred Coursey ..... Director of Community and Economic Development

Ellen Ritchie ..... Library Director

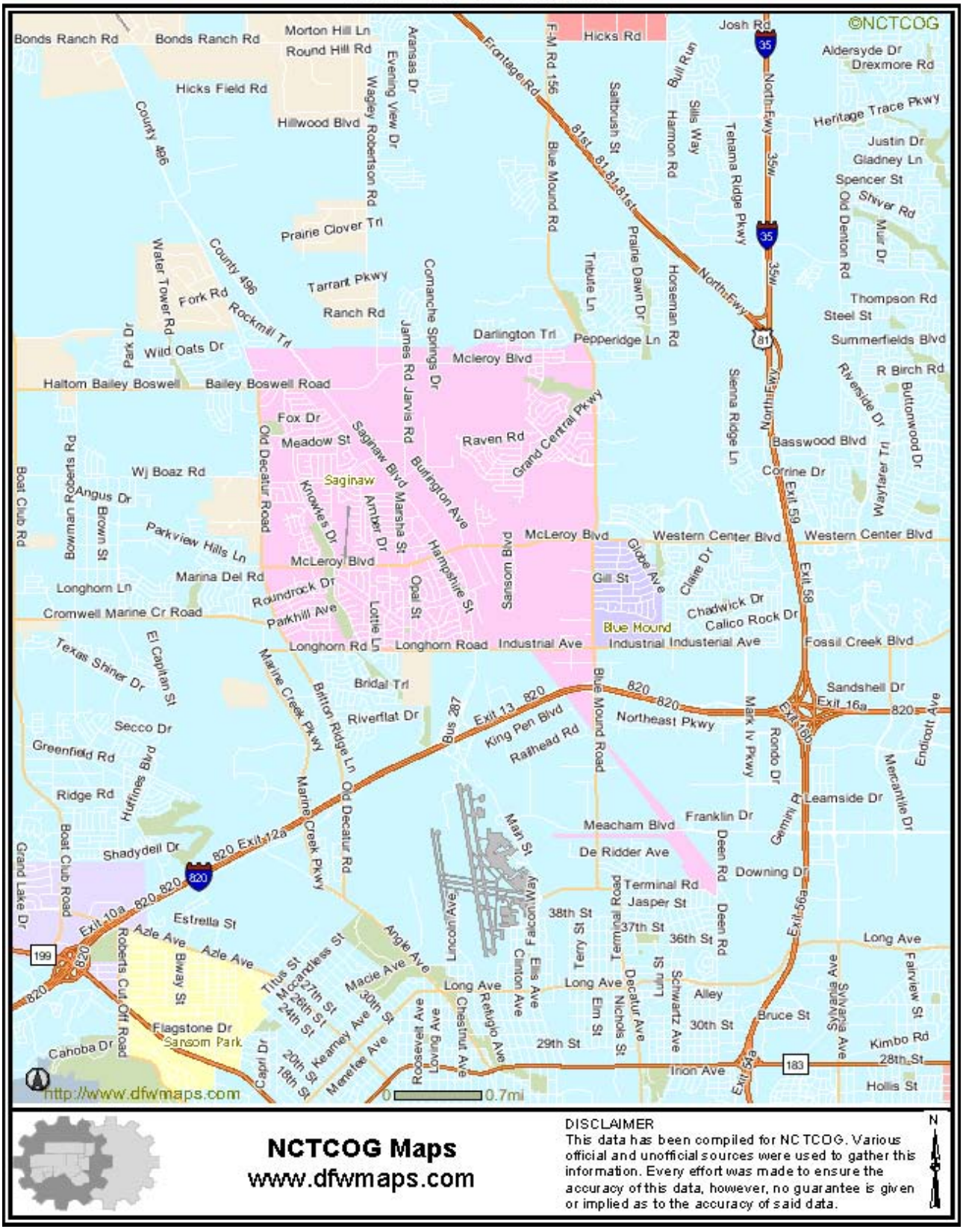
Greg Clayton ..... Director of Information Technology

Melanie McManus ..... Director of Human Resources

Bryn Meredith ..... City Attorney

Trenton Tidwell ..... City Engineer

CITY OF SAGINAW



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Saginaw Texas

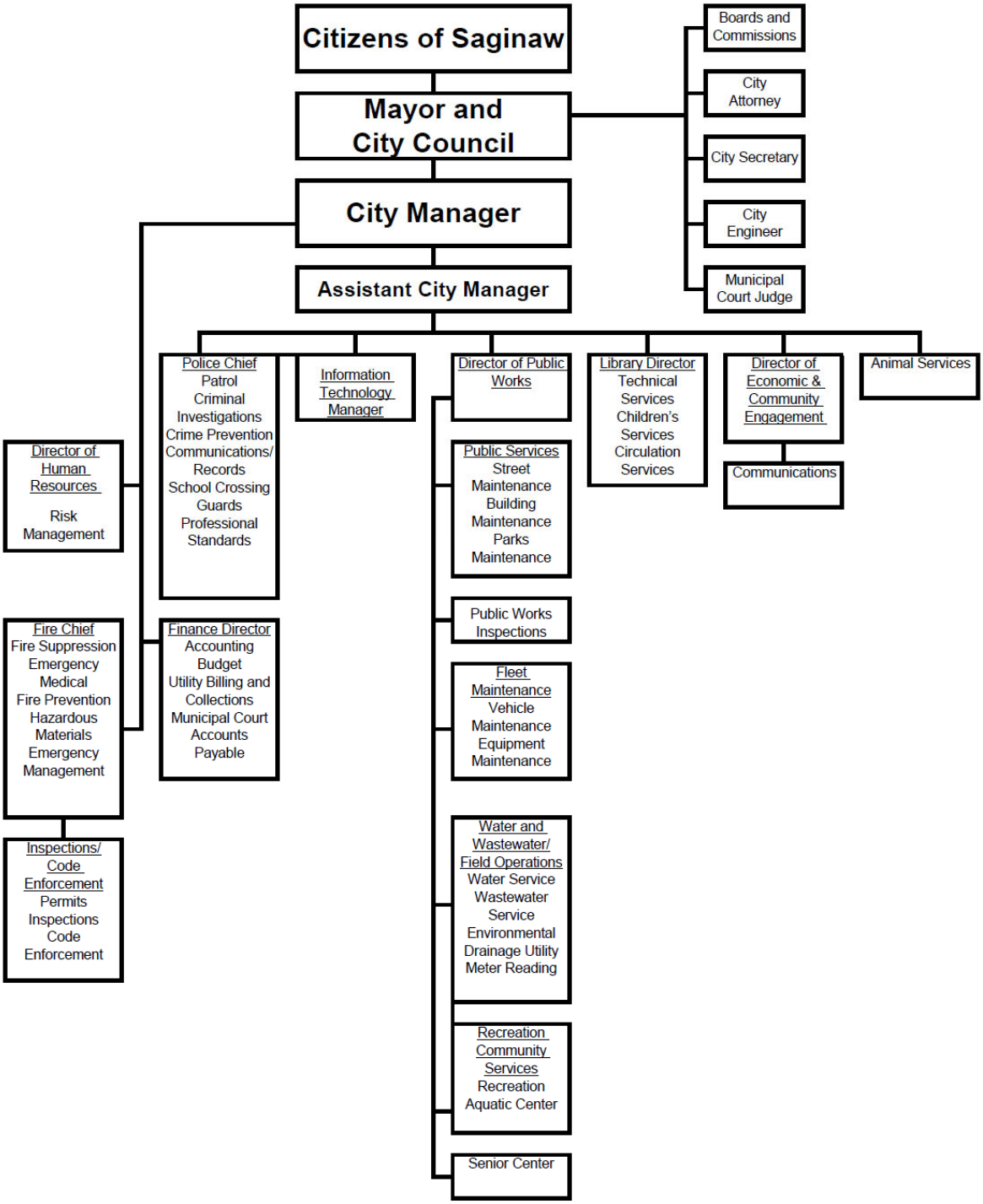
For its Annual Comprehensive Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

CITY OF SAGINAW
ORGANIZATIONAL CHART



City of Saginaw

Financial Section

City of Saginaw

2300 North Field Street, Suite 1000
Dallas, Texas 75201
972-490-1970

Independent Auditor's Report

To the Honorable Mayor Todd Flippo
and Members of the City Council of the
City of Saginaw, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Saginaw, Texas (the City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Texas Municipal Retirement System pension schedules, Texas Municipal Retirement System OPEB schedules, and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 29, 2026

City of Saginaw

CITY OF SAGINAW, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR YEAR ENDED SEPTEMBER 30, 2025
(UNAUDITED)

As management of the City of Saginaw, Texas (the City) we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - v of this report.

IN BRIEF

- The assets and deferred outflows of resources of the City of Saginaw exceeded its liabilities and deferred inflow of resources at the close of the most recent fiscal year by $171,851,625 (net position). This number must be viewed in the context that the vast majority of the City's net position is net investment in capital assets of $141,372,618 (82.3%) and that most capital assets of a government do not directly generate revenue nor can they be sold to generate liquid capital. The net position restricted for specific purposes totals $12,808,787 (7.4%). The remaining $17,670,220 (10.3%) is the unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.

- The City's total net position increased by $4,374,331; governmental activities accounts for $3,789,653 and business-type activities for $584,678 of the increase. The increase is related to increased capital assets partially offset by increased liabilities

- As of the close of the fiscal year, the City's governmental funds reported combined ending fund balances of $54,113,936. Within this total $40,537,316 is restricted by specific legal requirements or non-spendable and $1,471,322 has been committed or assigned for specific types of expenditures. About 22% of this total amount, or $12,105,298 is unassigned and available for use with the City's fund designation and policies.

- At the end of the current year, unassigned fund balance for the general fund of $12,105,298 is 45.1% of the total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide financial statements – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets, deferred outflows/inflows, and liabilities, with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration, municipal court, fire, police, emergency management, public services, parks, library, community services, fleet maintenance, inspections, animal services, information technology, communications, and economic development. The business-type activities of the City include water and wastewater services. The government-wide financial statements can be found on pages 17-21 of this report.

Fund financial statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories – governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains eleven governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, eight Special Revenue, Debt Service, and Capital Projects funds. The basic governmental funds financial statements can be found on pages 23-27.

Proprietary Funds – The City maintains one type of proprietary fund. The Enterprise Fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses the enterprise fund to account for its water and wastewater operations. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 29-34 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because those funds are not available to support the City's programs. The City is the trustee, or fiduciary, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The City does not currently have fiduciary activities to report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35-65.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of September 30, 2025, the City of Saginaw's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $171,851,625.

The largest portion of the City's net position (82.3%) reflects its investments in capital assets (e.g., land, buildings, equipment, improvements, construction in progress, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens; consequently these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Saginaw's Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 63,073,214	$ 69,710,969	$ 20,855,241	$ 14,522,980	$ 83,928,455	$ 84,233,949
Capital assets	180,356,712	157,813,003	33,906,503	34,917,312	214,263,215	192,730,315
Total assets	243,429,926	227,523,972	54,761,744	49,440,292	298,191,670	276,964,264
Deferred outflows of resources	4,056,495	3,737,097	431,039	394,578	4,487,534	4,131,675
Long term liabilities	108,233,269	98,326,266	6,390,027	1,714,177	114,623,296	100,040,443
Other liabilities	12,673,053	10,554,162	2,249,296	2,203,197	14,922,349	12,757,359
Total liabilities	120,906,322	108,880,428	8,639,323	3,917,374	129,545,645	112,797,802
Deferred inflows of resources	1,157,239	747,434	124,695	73,409	1,281,934	820,843
Net Position						
Net Investment in capital assets	108,044,676	104,752,671	33,327,942	34,373,260	141,372,618	139,125,931
Restricted	12,573,594	11,310,993	235,193	210,871	12,808,787	11,521,864
Unrestricted	4,804,590	5,569,543	12,865,630	11,259,956	17,670,220	16,829,499
Total net position	$ 125,422,860	$ 121,633,207	$ 46,428,765	$ 45,844,087	$ 171,851,625	$ 167,477,294

An additional portion of the City's net position $12,808,787 (7.4%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position of $17,670,220 (10.3%) may be used to meet the City's ongoing obligation to citizens and creditors.

The increase in net position totals $4,374,331; governmental activities increased by $3,789,653 and business-type activities increased by $584,678. The net increase is related to increased capital assets offset by increased debt due in more than one year, partially offset by a decrease in unearned revenue.

Analysis of the City's Operations – The following table provides a summary of the City's operations for the year ended September 30, 2025. Overall the City had an increase in net position of $4,374,331. Governmental capital contributions and interest income decreased due to less development activity, lower interest rates, and lower cash balances. Enterprise fund revenues decreased due to capital contributions partially offset by increased wastewater collection revenue. Total City revenues decreased by $4,211,134 compared to 2024. Total City expenses increased by $2,867,628 compared to 2024. Increases are related to implementation of a new pay plan, increased cost of wastewater treatment, in the enterprise fund, compensated absence expense, and pension expense. These expenses are partially offset by a decrease in interest on long term debt.

City of Saginaw's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues						
Fees, fines and charges for services	$ 4,384,444	$ 4,479,817	$ 14,144,466	$ 13,304,036	$ 18,528,910	$ 17,783,853
Operating grants and contributions	1,112,613	1,855,125	-	-	1,112,613	1,855,125
Capital grants and contributions	3,167,437	4,541,522	213,489	2,070,791	3,380,926	6,612,313
General revenues						
Ad valorem taxes	16,033,406	15,294,001	-	-	16,033,406	15,294,001
Sales taxes	10,166,679	10,147,310	-	-	10,166,679	10,147,310
Franchise taxes	1,660,073	1,703,659	-	-	1,660,073	1,703,659
Other taxes	145,603	147,483	-	-	145,603	147,483
Penalties and interest	12,310	52,754	322,892	289,949	335,202	342,703
Interest income	2,644,827	4,187,287	601,785	616,289	3,246,612	4,803,576
Miscellaneous	9,383	145,161	67,841	63,198	77,224	208,359
Total revenues	39,336,775	42,554,119	15,350,473	16,344,263	54,687,248	58,898,382
Expenses						
General administrative office	5,123,991	4,811,236	-	-	5,123,991	4,811,236
Municipal court	253,150	243,969	-	-	253,150	243,969
Fire	6,246,705	5,344,936	-	-	6,246,705	5,344,936
Police	7,983,637	7,201,026	-	-	7,983,637	7,201,026
Public works	6,426,713	6,544,714	-	-	6,426,713	6,544,714
Parks	683,280	609,576	-	-	683,280	609,576
Community services	1,500,865	1,581,112	-	-	1,500,865	1,581,112
Library	1,059,433	877,627	-	-	1,059,433	877,627
Inspections	1,293,145	1,074,161	-	-	1,293,145	1,074,161
Animal services	719,586	627,476	-	-	719,586	627,476
Fleet maintenance	761,487	635,432	-	-	761,487	635,432
Economic development	110,422	127,323	-	-	110,422	127,323
Information technology	951,581	814,144	-	-	951,581	814,144
Emergency management	27,230	100,352	-	-	27,230	100,352
Communications	307,861	165,357	-	-	307,861	165,357
Interest on long term debt	3,228,190	3,839,155	-	-	3,228,190	3,839,155
Water and wastewater	-	-	13,635,641	12,847,693	13,635,641	12,847,693
Total expenses	36,677,276	34,597,596	13,635,641	12,847,693	50,312,917	47,445,289
Increases in net position before transfers	2,659,499	7,956,523	1,714,832	3,496,570	4,374,331	11,453,093
Transfers	1,130,154	951,788	(1,130,154)	(951,788)	-	-
Increase in net position	3,789,653	8,908,311	584,678	2,544,782	4,374,331	11,453,093
Net position - October 1	121,633,207	112,724,896	45,844,087	43,299,305	167,477,294	156,024,201
Net position - September 30	$ 125,422,860	$ 121,633,207	$ 46,428,765	$ 45,844,087	$ 171,851,625	$ 167,477,294

City governmental activities increased net position by $3,789,653 and enterprise activities increased net position by $584,678.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds – The focus of the City of Saginaw's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of the City's net resources available at the end of the fiscal year.

At the end of the current fiscal year, the City of Saginaw's governmental funds reported combined ending fund balances of $54,113,936. Approximately 22.4% of this total ($12,105,298) constitutes unassigned fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed for other purposes. The General Fund decreased by $1,742,813. The decrease was primarily due to the use of fund balance for facility maintenance and improvements and equipment replacement. The decrease of $4,532,588 in the Capital Projects Fund reflects the use of previously issued debt for Knowles Drive construction, construction of the Library and Senior Activity Center, and Parks Master Plan projects. The $236,017 decrease in Crime Control and Prevention District fund balance is for the replacement of patrol vehicles and the construction of covered parking at the Police Department. Drainage Utility fund balance increased by $518,506 due to no drainage construction projects this fiscal year. Design is ongoing for the Saginaw Boulevard System 3 drainage project. The Street Maintenance Fund balance increased by $509,919 due to the delay of the Opal Street reconstruction project. There was an increase in the General Escrow Fund balance of $410,847 due to interest earnings, and strong hotel/motel tax and court security/technology fee collections.

Proprietary Fund – The City's proprietary fund statements provide the same type of information found in the government-wide statements. Unrestricted net position of the Enterprise Fund is $12,865,630. Total net position of the Enterprise Fund increased by $584,678 from fiscal year 2024 to fiscal year 2025. The increase is due to increased wastewater and wastewater surcharge fees partially offset by the increased cost of salaries, benefits, water meters, system maintenance and wastewater service.

Budgetary Highlights – The City Council approved revisions to the original budget appropriations. General Fund revenues were increased by $555,320 or 2.3%. Increased revenues were due to American Rescue Plan Act revenue recognition and municipal court fines and fees. General Fund expenditure appropriations increased by $28,695 or 0.1%. Increases were for overtime, utilities, and contract mowing partially offset by vacancy savings and project delays.

CAPITAL ASSETS

The City of Saginaw's investment in capital assets for its governmental and business-type activities as of September 30, 2025 amounts to $214,263,215 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, improvements, infrastructure, construction in progress, and right to use lease and subscription assets.

Major capital asset events during the fiscal year included the following:

- Developer contributed paving ($120,000).
- Keeter Library repurpose design ($262,221).
- Fire Station #2 exhaust system replacement/improvements ($122,383).
- Facility improvements ($221,570).
- Purchase of 10 service trucks ($410,897).
- Softball complex improvements ($53,475).
- Keeter Library roof replacement ($171,140).
- Purchase of a pressure sewer cleaner and trailer ($75,159).
- Police Station parking lot awning ($166,500).

- Purchase of 9 police vehicles ($281,414).
- Purchase of remote control mower ($70,413).
- Purchase of Library equipment and art work ($77,277).
- Construction of the Library/Senior Citizens Center facility ($16,704,466).
- Sidewalk improvements ($218,900).
- Knowles Drive improvements ($6,991,187).
- Design for W McLeroy Boulevard improvements Phase 3 ($952,230).
- Design for E McLeroy Boulevard improvements Phase 2A ($338,800).
- Park improvements ($894,859).
- Design for North Old Decatur Road ($76,363).
- Intersection improvements at Blue Mound Road and Industrial Boulevard ($99,156).
- Design for Opal Street reconstruction ($105,630).
- Developer contributed water/wastewater system improvements ($72,111).

Capital Assets at Year End
Net of Accumulated Depreciation/Amortization

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 20,485,256	$ 20,477,307	$ 16,657	$ 16,657	$ 20,501,913	$ 20,493,964
Improvements	6,281,756	5,489,395	-	-	6,281,756	5,489,395
Buildings	63,756,386	34,546,134	154,587	154,587	63,910,973	34,700,721
Equipment	336,981	14,507,018	17,890	2,335,414	354,871	16,842,432
Infrastructure	31,612	158,978,379	-	49,440,156	31,612	208,418,535
Construction in progress	14,977,081	20,914,620	2,423,573	1,387,510	17,400,654	22,302,130
Right-to-use subscription assets	159,100,129	336,981	49,512,267	17,890	208,612,396	354,871
Right-to-use lease assets	18,382,091	31,612	1,454,700	-	19,836,791	31,612
Accumulated depreciation/amortization	(102,994,580)	(97,468,443)	(19,673,171)	(18,434,902)	(122,667,751)	(115,903,345)
Total	$ 180,356,712	$ 157,813,003	$ 33,906,503	$ 34,917,312	$ 214,263,215	$ 192,730,315

Additional information on the City of Saginaw's capital assets can be found in Note 5 on pages 48-49.

DEBT ADMINISTRATION

At the end of the fiscal year, the City had a total bonded debt of $103,623,177.

Outstanding Bond Debt at Year End

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligations	$ 75,450,000	$ 60,885,000	$ 5,315,000	$ 485,000	$ 80,765,000	$ 61,370,000
Certificates of obligation	15,885,000	16,685,000	-	-	15,885,000	16,685,000
Tax notes	240,000	475,000	-	-	240,000	475,000
Premiums on bonds	6,733,177	6,439,285	-	-	6,733,177	6,439,285
Total	$ 98,308,177	$ 84,484,285	$ 5,315,000	$ 485,000	$ 103,623,177	$ 84,969,285

During the fiscal year, the City's total debt increased by $18,653,892 or 22%. Enterprise Fund principal payments of $160,000 and General Fund principal payments of $3,880,000 were made. The City's General Obligation Bonds, and Certificates of Obligation have a Standard and Poor's Ratings Services rating of AA. The Revenue bonds have a Standard and Poor's Rating of AA.

Additional information on the City of Saginaw's long-term debt can be found on pages 49-55 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

In the 2025-2026 budget, General Fund revenues and transfers in are budgeted to be $25,688,740 which is $818,270 or 3.4% more than the revised 2024-2025 budget. Sales tax is estimated to remain stable. The adopted budget reflects a decrease in permits and fees, as well as, interest earnings. Due to an estimated slow down in new construction and lower cash balance and interest rates. These reductions are offset by a budgeted increase in property tax and transfers from other funds. General Fund revenues are comprised of 38% property tax, 30% sales tax, and 32% fees and transfers. Estimated net taxable value increased 2.7% from the preceding year with $23 million in added value. Budgeted property tax revenues are $9,674,445 in the General Fund and $7,084,430 in the Debt Service Fund. General Fund expenditures and transfers increased by $192,545 or 0.7% due to salary increases, operating costs of the new Library/Senior Center, a full year of contracted ambulance services, and increased overtime. Funding is provided for salary step increases to remain competitive in the labor market. One-time expenses include replacement of a battalion chief vehicle, barricade rental for special events, Police Station security upgrades, replacement of school zone traffic lights, Recreation and Aquatics Center improvements and shade structures at the Animal Shelter.

The 2025-2026 budget includes a 3.25% increase in water and wastewater rates. The City of Fort Worth, water and wastewater service provider, will increase water rates by 6.75% and decrease wastewater rates by 3.69%. The Enterprise Fund budget has been balanced with the use of $4,622,965 from fund balance for the water line replacement along Opal Street, the Fairmont 12" sewer rehabilitation phase 2, the West McLeroy 12" water line phase 2, a chloramine facility, and various inflow/infiltration remediation projects.

Drainage Utility fees will remain the same. Funding is included for an additional drainage maintenance worker and final design for the Saginaw Boulevard System 3 drainage project.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Finance Director at P.O. Box 79070, Saginaw, Texas 76179, or call (817) 232-4640.

City of Saginaw

Basic Financial Statements

City of Saginaw

Government-Wide Financial Statements

City of Saginaw

City of Saginaw, Texas

Statement of Net Position

For the Fiscal Year Ended September 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Deposits and investments	$ 29,007,273	$ 17,985,188	$ 46,992,461
Receivables:			
Taxes, net of allowance	1,964,608	-	1,964,608
Accounts, net of allowance	110,439	1,859,190	1,969,629
Leases	293,908	-	293,908
Other	263,875	-	263,875
Prepaid items	59,478	5,166	64,644
Restricted assets:			
Deposits and investments	31,373,633	1,005,697	32,379,330
Capital assets:			
Land	20,485,256	16,657	20,501,913
Improvements	6,281,756	-	6,281,756
Buildings	63,756,386	154,587	63,910,973
Equipment	14,977,081	2,423,573	17,400,654
Infrastructure	159,100,129	49,512,267	208,612,396
Construction in progress	18,382,091	1,454,700	19,836,791
Right-to-use subscription assets	336,981	17,890	354,871
Right-to-use lease assets	31,612	-	31,612
Accumulated depreciation/amortization	(102,994,580)	(19,673,171)	(122,667,751)
Total assets	243,429,926	54,761,744	298,191,670
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge for refunding	52,468	-	52,468
Related to TMRS pension	3,946,078	423,472	4,369,550
Related to TMRS OPEB	57,949	7,567	65,516
Total deferred outflows of resources	4,056,495	431,039	4,487,534
LIABILITIES			
Accounts payable and accrued liabilities	4,394,599	963,342	5,357,941
Accrued interest payable	329,338	21,373	350,711
Unearned revenue	434,436	-	434,436
Payable from restricted assets:			
Contracts payable	3,768,893	-	3,768,893
Current portion of revenue bonds payable	-	488,118	488,118
Customer deposits	-	770,504	770,504
Noncurrent liabilities:			
Debt due within one year	3,745,787	5,959	3,751,746
Debt due in more than one year	95,777,432	5,010,000	100,787,432
Net pension liability	12,098,935	1,334,456	13,433,391
Total OPEB liability	356,902	45,571	402,473
Total liabilities	120,906,322	8,639,323	129,545,645
DEFERRED INFLOWS OF RESOURCES			
Related to leased assets	293,908	-	293,908
Related to TMRS pension	719,634	109,027	828,661
Related to TMRS OPEB	143,697	15,668	159,365
Total deferred inflows of resources	1,157,239	124,695	1,281,934
NET POSITION			
Net investment in capital assets	108,044,676	33,327,942	141,372,618
Restricted for:			
Debt service	1,197,176	235,193	1,432,369
Street maintenance	3,272,880	-	3,272,880
Crime prevention	1,017,519	-	1,017,519
Drainage	2,075,198	-	2,075,198
Public improvements	263,575	-	263,575
Infrastructure, court technology, and safety projects	4,747,246	-	4,747,246
Unrestricted	4,804,590	12,865,630	17,670,220
TOTAL NET POSITION	$ 125,422,860	$ 46,428,765	$ 171,851,625

City of Saginaw, Texas
Statement of Activities
For the Fiscal Year Ended September 30, 2025

Program Activities	Expenses	Program Revenues: Fees, Fines and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General administrative offices	$ 5,123,991	$ 193,484	$ 606,836	$ -
Municipal court	253,150	869,779	-	-
Fire	6,246,705	141,600	31,924	-
Police	7,983,637	20,223	473,853	-
Public works	6,426,713	1,048,529	-	3,167,437
Parks	683,280	-	-	-
Community services	1,500,865	718,685	-	-
Library	1,059,433	6,755	-	-
Inspection	1,293,145	1,356,644	-	-
Animal services	719,586	28,745	-	-
Fleet maintenance	761,487	-	-	-
Economic development	110,422	-	-	-
Information technology	951,581	-	-	-
Emergency management	27,230	-	-	-
Communications	307,861	-	-	-
Interest on long term debt	3,228,190	-	-	-
Total governmental activities	36,677,276	4,384,444	1,112,613	3,167,437
Business-type activities:				
Water and wastewater	13,635,641	14,144,466	-	213,489
Total business-type activities	13,635,641	14,144,466	-	213,489
TOTAL GOVERNMENT	$ 50,312,917	$ 18,528,910	$ 1,112,613	$ 3,380,926
General revenues:				
Taxes:				
Ad valorem				
Sales				
Franchise taxes				
Other taxes				
Penalties and interest				
Interest income				
Miscellaneous revenues				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning of year				
Net position - end of year				

Net (Expenses) Revenue and Changes in Net Position		
Governmental Activities	Business- type Activities	Total
$ (4,323,671)	$ -	$ (4,323,671)
616,629	-	616,629
(6,073,181)	-	(6,073,181)
(7,489,561)	-	(7,489,561)
(2,210,747)	-	(2,210,747)
(683,280)	-	(683,280)
(782,180)	-	(782,180)
(1,052,678)	-	(1,052,678)
63,499	-	63,499
(690,841)	-	(690,841)
(761,487)	-	(761,487)
(110,422)	-	(110,422)
(951,581)	-	(951,581)
(27,230)	-	(27,230)
(307,861)	-	(307,861)
(3,228,190)	-	(3,228,190)
(28,012,782)	-	(28,012,782)
-	722,314	722,314
-	722,314	722,314
$ (28,012,782)	$ 722,314	$ (27,290,468)
$ 16,033,406	$ -	$ 16,033,406
10,166,679	-	10,166,679
1,660,073	-	1,660,073
145,603	-	145,603
12,310	322,892	335,202
2,644,827	601,785	3,246,612
9,383	67,841	77,224
1,130,154	(1,130,154)	-
31,802,435	(137,636)	31,664,799
3,789,653	584,678	4,374,331
121,633,207	45,844,087	167,477,294
$ 125,422,860	$ 46,428,765	$ 171,851,625

City of Saginaw

Fund Financial Statements
Governmental Funds

City of Saginaw, Texas

Balance Sheet - Governmental Funds
September 30, 2025

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS					
Deposits and investments	$ 15,978,552	$ 1,414,302	$ -	$ 11,614,419	$ 29,007,273
Receivables:					
Taxes, net of allowance	1,437,852	112,212	-	414,544	1,964,608
Accounts	110,439	-	-	-	110,439
Leases	293,908	-	-	-	293,908
Other	96,363	-	-	167,512	263,875
Prepaid items	59,478	-	-	-	59,478
Restricted assets:					
Deposits and investments	-	-	31,373,633	-	31,373,633
TOTAL ASSETS	$ 17,976,592	$ 1,526,514	$ 31,373,633	$ 12,196,475	$ 63,073,214
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued liabilities	$ 4,330,452	$ -	$ -	$ 64,147	$ 4,394,599
Payable from restricted assets:					
Contracts payable	-	-	3,768,893	-	3,768,893
Unearned revenue	391,323	-	-	43,113	434,436
Total liabilities	4,721,775	-	3,768,893	107,260	8,597,928
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - leased assets	293,908	-	-	-	293,908
Unavailable revenue - property taxes	37,608	29,834	-	-	67,442
Total deferred inflows of resources	331,516	29,834	-	-	361,350
FUND BALANCES					
Nonspendable:					
Prepaid items	59,478	-	-	-	59,478
Restricted:					
Debt service	-	1,496,680	-	-	1,496,680
Capital projects	-	-	27,604,740	-	27,604,740
Street maintenance	-	-	-	3,272,880	3,272,880
Crime prevention	-	-	-	1,017,519	1,017,519
Drainage	-	-	-	2,075,198	2,075,198
Public improvements	-	-	-	263,575	263,575
Infrastructure, court technology, and safety projects	-	-	-	4,747,246	4,747,246
Committed:					
Donations	-	-	-	712,797	712,797
Assigned	758,525	-	-	-	758,525
Unassigned	12,105,298	-	-	-	12,105,298
Total fund balances	12,923,301	1,496,680	27,604,740	12,089,215	54,113,936
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 17,976,592	$ 1,526,514	$ 31,373,633	$ 12,196,475	$ 63,073,214

The Notes to Basic Financial Statements are an integral part of this statement.

City of Saginaw, Texas

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2025

TOTAL FUND BALANCE - GOVERNMENTAL FUND	$	54,113,936
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.		180,356,712
Interest payable on long term debt does not require current financial resources, therefore interest payable is not reported as a liability in the governmental funds balance sheet.		(329,338)
Revenues earned but not available within sixty days of the year end are not recognized as revenue on the fund financial statements.		67,442
Long-term liabilities, including bonds payable, subscriptions payable, leases payable, arbitrage payable, and financed purchases are not due and payable in the current period and therefore are not reported in the fund financial statements. A deferred charge on an advanced refunding of bonds payable of $52,468 is reflected as a deferred outflow of resources on the Statement of Net Position.		(99,470,751)
Included in noncurrent liabilities is the recognition of the City's net pension liability required by GASB 68 in the amount of $12,098,935, a deferred resource outflow related to TMRS of $3,392,934, and a deferred resource inflow related to TMRS of $166,490. This resulted in a decrease in net position.		(8,872,491)
Included in noncurrent liabilities is the recognition of the City's total OPEB liability required by GASB 75 in the amount of $356,902, a deferred resource outflow related to TMRS of $57,949, and a deferred resource inflow related to TMRS of $143,697. This resulted in a decrease in net position.		(442,650)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	$	125,422,860

The Notes to Basic Financial Statements are an integral part of this statement.

City of Saginaw, Texas

Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For The Year Ended September 30, 2025

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 17,959,304	$ 6,804,285	$ -	$ 3,229,228	$ 27,992,817
Licenses and permits	873,750	-	-	-	873,750
Charges for services	141,600	-	-	1,048,529	1,190,129
Fines and fees	1,358,046	-	-	36,028	1,394,074
Interest income	796,312	197,780	1,157,659	493,076	2,644,827
Recreation income	378,034	-	-	-	378,034
Intergovernmental	638,760	-	3,244,453	4,722	3,887,935
Miscellaneous revenues	50,907	-	-	564,926	615,833
Total revenues	22,196,713	7,002,065	4,402,112	5,376,509	38,977,399
EXPENDITURES					
Current:					
General administrative office	3,240,290	-	290,181	1,148,737	4,679,208
Municipal court	252,300	-	-	-	252,300
Fire	5,630,507	-	-	-	5,630,507
Police	7,404,122	-	-	47,006	7,451,128
Public works	2,427,698	-	-	-	2,427,698
Parks	466,100	-	-	-	466,100
Community services	1,303,771	-	-	-	1,303,771
Library	1,002,218	-	-	-	1,002,218
Inspection	1,139,785	-	-	114,947	1,254,732
Animal services	697,343	-	-	-	697,343
City garage	723,343	-	-	-	723,343
Economic development	110,422	-	-	-	110,422
Information technology	750,352	-	-	-	750,352
Emergency management	27,230	-	-	-	27,230
Communications	301,376	-	-	-	301,376
Capital outlay	1,284,412	-	26,336,086	884,654	28,505,152
Debt service:					
Principal retirement	46,422	3,880,000	-	144,655	4,071,077
Interest charges	3,872	3,069,268	-	12,719	3,085,859
Fiscal agent's fees and debt issuance costs	-	38,405	461,047	-	499,452
Total expenditures	26,811,563	6,987,673	27,087,314	2,352,718	63,239,268
Excess (deficiency) of revenues over (under) expenditures	(4,614,850)	14,392	(22,685,202)	3,023,791	(24,261,869)
OTHER FINANCING SOURCES (USES)					
Transfers in	3,009,982	-	-	151,288	3,161,270
Transfers out	(137,945)	-	-	(1,893,171)	(2,031,116)
Issuance of debt	-	-	17,410,000	-	17,410,000
Premium on bond issuance	-	-	742,614	-	742,614
Total other financing sources (uses)	2,872,037	-	18,152,614	(1,741,883)	19,282,768
Net change in fund balances	(1,742,813)	14,392	(4,532,588)	1,281,908	(4,979,101)
Fund Balance, beginning	14,666,114	1,482,288	32,137,328	10,807,307	59,093,037
FUND BALANCE, ending	$ 12,923,301	$ 1,496,680	$ 27,604,740	$ 12,089,215	$ 54,113,936

The Notes to Basic Financial Statements are an integral part of this statement.

City of Saginaw, Texas

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the Fiscal Year Ended September 30, 2025

TOTAL NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUND	$	(4,979,101)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period.		28,092,637
Governmental funds do not recognize assets contributed by developers or grantors, or donated to the City. However, in the statement of activities the fair market value of those assets are recognized as revenue, then allocated over their estimated useful lives and reported as depreciation expense.		392,114
Depreciation expense on capital assets is reported in the statement of activities and does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in the governmental funds.		(5,941,042)
The issuance of long term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are capitalized and amortized in the statement of activities.		(13,844,538)
Financed purchases, leases, and subscriptions payable provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount consists of leases entered into during the year , subscriptions payable entered into repayments on financed purchases and subscriptions payable.		191,249
Current year changes in the net pension liability, deferred inflows of resources and the deferred outflows of resources of the pension plan. The net effect of these items increased net position.		(91,027)
Current year changes in the total OPEB liability and the deferred outflows of resources of the pension plan. The net effect of these items decreased net position.		(4,028)
Current year changes in accrued interest payable do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.		(71,127)
Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds		44,516
CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES	$	3,789,653

The Notes to Basic Financial Statements are an integral part of this statement.

City of Saginaw

Fund Financial Statements
Proprietary Funds

City of Saginaw

City of Saginaw, Texas
Statement of Net Position
Proprietary Funds
September 30, 2025

	Enterprise Fund
ASSETS	
Current assets:	
Deposits and investments	$ 17,985,188
Deposits and investments-restricted	235,193
Receivables:	
Accounts receivable, net of allowance of $89,631	1,077,344
Unbilled accounts	781,846
Prepaid	5,166
Total current assets	20,084,737
Noncurrent assets:	
Capital assets, at cost:	
Land and land improvements	16,657
Buildings and improvements	154,587
Waterworks and sewer system	49,512,267
Machinery and equipment	2,423,573
Right-to-use subscription assets	17,890
Construction in progress	1,454,700
Accumulated depreciation/amortization	(19,673,171)
Total capital assets, net of accumulated depreciation/amortization	33,906,503
Deposits and investments-restricted	770,504
Total noncurrent assets	34,677,007
Total assets	54,761,744
DEFERRED OUTFLOWS OF RESOURCES	
Related to the TMRS pension	423,472
Related to the TMRS OPEB	7,567
Total deferred outflows of resources	431,039
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	963,342
Accrued interest	21,373
Subscriptions payable	5,959
Revenue bonds payable	488,118
Total current liabilities	1,478,792
Noncurrent liabilities:	
Revenue bonds payable	5,010,000
Customer deposits	770,504
Net pension liability	1,334,456
Total OPEB liability	45,571
Total noncurrent liabilities	7,160,531
Total liabilities	8,639,323
DEFERRED INFLOWS OF RESOURCES	
Related to the TMRS pension	109,027
Related to the TMRS OPEB	15,668
Total deferred inflows of resources	124,695
NET POSITION	
Net investment in capital assets	33,327,942
Restricted for revenue bond retirement	235,193
Unrestricted	12,865,630
TOTAL NET POSITION	$ 46,428,765

The Notes to the Basic Financial Statements are an integral part of this statement.

City of Saginaw, Texas

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended September 30, 2025

	Enterprise Fund
OPERATING REVENUES	
Water and sewer sales	$ 11,640,152
Penalties	322,892
Surcharges	2,504,314
Miscellaneous	67,841
Total operating revenue	14,535,199
OPERATING EXPENSES	
Cost of sales and services	8,898,561
Administrative	3,481,492
Depreciation/amortization	1,238,269
Total operating expenses	13,618,322
Operating income	916,877
NONOPERATING REVENUES (EXPENSES)	
Investment income	601,785
Interest expense and agent fees	(17,319)
Total nonoperating revenues (expenses)	584,466
Income before capital contributions and transfers	1,501,343
CAPITAL CONTRIBUTIONS AND TRANSFERS	
Capital contributions	72,111
Intergovernmental	8,000
Impact and tap fees	133,378
Transfers out	(1,264,604)
Transfers in	134,450
Total capital contributions and transfers	(916,665)
Change in net position	584,678
Net position, beginning of year	45,844,087
NET POSITION, end of year	$ 46,428,765

The Notes to the Basic Financial Statements are an integral part of this statement.

City of Saginaw, Texas
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2025

	Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	$ 14,386,890
Cash paid to employees	(1,477,029)
Cash paid to suppliers	(11,219,337)
Net cash provided by operating activities	1,690,524
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers out to other funds	(1,264,604)
Transfers from other funds	134,450
Net cash used in noncapital financing activities	(1,130,154)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Intergovernmental revenues	8,000
Impact and tap fees	133,378
Principal paid on SBITAs	(5,681)
Principal paid on bonds	(160,000)
Purchase of capital assets	(155,349)
Interest and fees paid on debt issuance	8,820
Net cash used in capital and related financing activities	5,002,286
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	601,785
Net cash provided by investing activities	601,785
Net change in cash and cash equivalents	6,164,441
CASH AND CASH EQUIVALENTS, beginning of year	12,826,444
CASH AND CASH EQUIVALENTS, end of year	$ 18,990,885

The Notes to the Basic Financial Statements are an integral part of this statement.

City of Saginaw, Texas

Statement of Cash Flows – Continued
Proprietary Funds
For the Fiscal Year Ended September 30, 2025

	Current Assets	Enterprise Fund Restricted Assets		Statement of Cash Flows Totals
		Current	Noncurrent	
RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION				
Cash and cash equivalents - beginning	$ 11,859,414	$ 210,871	$ 756,159	$ 12,826,444
Net increase (decrease)	6,125,774	24,322	14,345	6,164,441
Cash and cash equivalents - ending	$ 17,985,188	$ 235,193	$ 770,504	$ 18,990,885
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income				$ 916,877
Adjustments to reconcile operating income to net cash				
Depreciation/amortization				1,238,269
(Increase) Decrease in accounts receivable				(162,654)
Decrease in prepaids				(5,166)
(Increase) Decrease in deferred outflows of resources-pension				(44,799)
(Increase) Decrease in deferred outflows of resources-OPEB				2,772
Increase (Decrease) in accounts payable and accrued expenses				(322,896)
Increase (Decrease) in customer deposits				14,345
Increase (Decrease) in net pension liability				3,465
Increase (Decrease) in total OPEB liability				(975)
Increase (Decrease) in deferred inflows of resources-pension				51,286
Net cash provided by operating activities				$ 1,690,524
SUPPLEMENTAL SCHEDULE OF NONCASH FINANCING, CAPITAL AND INVESTING ACTIVITIES				
Capital-related accounts payable				$ 52,978
Capital asset contributions from developers				$ 72,111

The Notes to the Basic Financial Statements are an integral part of this statement.

Note 1. Summary of Significant Accounting Policies

A. General Statement

The City of Saginaw, Texas (the City) was incorporated in 1949. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: general government, court, police and fire protection, street maintenance, building inspection services, library services, animal services, recreation, parks operation and maintenance, and maintenance and operation of City-owned buildings. The City contracts with the City of Fort Worth for water purchases and wastewater service but owns the waterworks and wastewater systems within the City.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant accounting policies of the City are described below.

B. Financial Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements include the primary government and organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either there is ongoing financial benefit or burden or operational responsibility. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has operational responsibility for an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval by the primary government. Complete financial statements for the individual component units may be obtained at the City's office.

The following entities were found to be blended component units of the City and are included in the combined financial statements:

The Saginaw Crime Control and Prevention District (CCPD) serves all the citizens of the City and is used to account for the accumulation and use of resources to add law enforcement officers and purchase additional equipment for law enforcement purposes. The governing body of the Saginaw CCPD Fund is the same as that of the primary government and the primary government has operational responsibility. The Saginaw CCPD is reported as a governmental activity in the government-wide financial statements and as a Special Revenue Fund in the governmental financial statements.

The Beltmill Public Improvement District (PID) was created under Chapter 372 of the Texas Local Government Code to track funds that are received and are to be used for the Beltmill development, which benefits the primary government. The governing body of the Beltmill PID Fund is the same as that of the primary government and the primary government has operational responsibility. The Beltmill PID is reported as a governmental activity in the government-wide financial statements and as a Special Revenue Fund in the governmental financial statements.

Tax Increment Reinvestment Zone (TIRZ) Number One was created under Chapter 311 of the Texas Tax Code in order to designate a geographic area within the City as a tax increment reinvestment zone. TIRZ Number One is reported as a governmental activity in the government-wide financial statements and as a Special Revenue Fund in the governmental financial statements. The governing body of the TIRZ is the same as that of the primary government and the primary government has operational responsibility.

C. Basis of Presentation

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the City, except for fiduciary funds. The effect of interfund activity, within the governmental and business-type activities columns, have been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements
The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The City has presented the following major governmental funds:

General Fund. The general fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Debt Service Fund. The debt service fund is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is restricted to signify the amounts that are restricted exclusively for debt service expenditures.

Capital Projects Fund. The capital projects fund is used to account for funds received and expended for the construction and renovation of thoroughfares, arterial streets and drainage improvements in the City and construction, renovation, expansion and major improvement of various City facilities, acquisition of land and other large nonrecurring projects.

Proprietary Funds are those funds for activities supported by user fees and charges. The accounting objectives are determinations of net income, financial position and cash flow. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included on the Statement of Net Position. The City has presented the following major proprietary fund:

Enterprise Fund. The Enterprise Fund is used to account for the provision of water and wastewater services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water and wastewater system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of long-term debt principal and interest for water and wastewater debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the fund.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

The economic resources measurement focus means all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and wastewater services which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for services, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

E. Budgetary Control

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to October 1, the City administration submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of a resolution.
4. Any revisions that alter the total expenditures of any fund must be approved by the City Council. The City Council amended the budget during the year.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Saginaw CCPD Fund, Enterprise Fund and Debt Service Fund. A budget is legally adopted for the General Fund, Saginaw CCPD Fund, Drainage Utility Fund, Street Maintenance Fund, Donations Funds, Beltmill PID Fund, Police Fund, Escrow Fund, TIRZ 1 Fund and Debt Service Fund.

Budgets for the General Fund, Saginaw CCPD Fund, Drainage Utility Fund, Street Maintenance Fund, Donations Funds, Escrow Fund, Beltmill PID Fund, Police Fund, TIRZ 1 Fund, and Debt Service Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

All appropriations lapse on September 30 of the fiscal year.

Budgeted amounts are as originally adopted or as amended by the City Council.

F. Deposits and Investments

Cash of all funds, including restricted cash, is pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month end. An individual fund's pooled cash and investments are available upon demand and are considered to be "cash equivalents" when preparing these financial statements. In addition, any marketable securities not included in the common pooled accounts that are purchased with a maturity of ninety days or less are also considered "cash equivalents."

All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

State statutes authorize the City to invest in obligations of the U.S. Government or its agencies; obligations of the State of Texas or its agencies; and certain other obligations, repurchase agreements, money market mutual funds and certificates of deposits within established criterion.

G. Interfund Receivables and Payables

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

H. Leases

Lessee

The City is a lessee for noncancellable leases of property and equipment. The City recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset), reported with other capital assets, in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the City is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lessor

The City is a lessor for noncancelable leases of property and equipment. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements related to leases include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

I. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are reported at acquisition value. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

Assets capitalized, not including infrastructure assets, have an original cost of $5,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	40 Years
Water and Wastewater System	50 Years
Infrastructure	10-50 Years
Equipment	5-25 Years
Improvements	20 Years

J. Compensated Absences

The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee benefit account) during or upon separation from employment. Based on the criteria listed, the following types of leave qualify for liability recognition for compensated absences – vacation, compensatory time and sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation and Compensatory Time

City employees earn vacation leave and compensatory time off for holidays worked. All annual vacation leave must be taken within one year after it is earned unless an exception has been granted by the City Manager. All earned vacation leave not taken within one year of its accumulation will be forfeited.

Sick Leave

Unused sick leave accumulated during the year is carried over into the next year with a maximum accrual of forty working days or twenty shifts. At the time of resignation or retirement, employees with ten or more years of service will be paid for unused sick leave.

A liability for the estimated value of leave benefits that will be paid upon separation of service or used by employees as time off is included in the liability for compensated absences. The compensated absences liability increased $1,195,412 over the course of the fiscal year and ended September 30, 2025, with a liability of $2,977,315.

K. Nature and Purpose of Designations of Fund Balance

The City follows Governmental Accounting Standards Board Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) for classification of fund balances. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions.

Fund balance categories under GASB 54 are Nonspendable and Spendable. Classifications under the Spendable category are Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

In accordance with GASB 54, the City classifies governmental fund balances in its financial statements, as follows:

Nonspendable Fund Balance
Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. Examples include inventories, long-term receivables, endowment principal, and/or prepaid/deferred items.

1. Spendable Fund Balance

a. Restricted Fund Balance – Includes amounts that can be spent only for the specific purposes as imposed by law, or imposed by creditors, grantors, contributors, or other governments' laws and regulations. Examples include federal and state grant programs, retirement of long-term debt, and construction.

   i. The aggregate fund balance of the debt service fund is legally restricted for payment of bonded indebtedness and is not available for other purposes until all bonded indebtedness is liquidated.

   ii. The fund balance of the capital projects fund reflects an amount restricted for construction and major renovation projects, and it usually represents unexpended proceeds from the sale of bonds, which primarily have restricted use.

   iii. The proceeds of specific revenue sources that is restricted to expenditures for specified purposes as designated by grantors, contributors, by vote of citizens, or governmental entities over state or local program grants.

b. Committed Fund Balance – Includes amounts that can be used only for the specific purposes as determined by the governing body by use of a resolution, recorded in the minutes of the governing body. Commitments may be changed or lifted only by the governing body taking the same formal action that imposed the constraint originally. Examples include, but not specifically limited to, council action regarding construction, claims, and judgments, retirement of loans/notes payable, and capital expenditures. The City Council must take action to commit funds for a specific purpose prior to the end of the fiscal year, but the amount of the commitment may be determined after the end of the fiscal year.

c. Assigned Fund Balance – Includes amounts intended to be used by the City for specific purposes. Pursuant to GASB 54, this intent can be expressed by an official or body to which the governing body delegates that authority. Through a resolution, the City has delegated the City Manager to determine and define the amounts of those components of fund balance that are classified as Assigned. Examples take on the similar appearance as those enumerated for committed fund balance, including the appropriation of existing fund balance to eliminate a deficit in next year's budget.

d. Unassigned Fund Balance – Includes the residual classification of the General Fund and includes all amounts not contained in other classifications. By accounting for amounts in other funds, the City has implicitly assigned the funds for the purposes of those particular funds.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be extended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly unassigned fund balance.

At the end of each fiscal year, the General Fund should maintain unassigned fund balance that is no less than 25% of the subsequent year's General Fund appropriated operating expenditure budget. This target amount has been established in order to provide a reasonable level of assurance that the City's day-to-day operations will be able to continue even if circumstances occur where revenues are insufficient to cover expenditures.

L. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. In circumstances where an expense is to be made for a purpose for which amounts are available in multiple net position classifications, restricted position will be fully utilized first followed by unrestricted as necessary.

M. Subscription-Based Information Technology Arrangements (SBITA)

The City has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The City recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide and proprietary fund financial statements. The City recognizes subscription liabilities with an initial, individual value of $5,000 or more.

At the commencement of an SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets.

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the noncancellable period of the SBITA.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the City is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

N. Pensions

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's Total Pension Liability is obtained from TMRS through a report prepared for the City by TMRS' consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions.

Pension liabilities are generally liquidated with resources of the general fund and enterprise fund.

O. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information has been determined based on the City's actuary report. For this purpose, OPEB expense recognized each fiscal year is equal to the change in the total OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability. Benefit payments are treated as being equal to the employer's yearly contributions for retirees. Information regarding the City's total OPEB liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

OPEB liabilities are generally liquidated with resources of the general fund and enterprise fund.

P. Management's Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates. The assumptions utilized for purposes of measuring the net pension liability, total OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension/OPEB expense for a year can and does vary from actual results.

Q. Recent Accounting Pronouncements

GASB Statement No. 101, *Compensated Absences* (GASB 101), improves the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2023, with earlier application encouraged. GASB 101 was implemented in the District's fiscal year 2025 financial statements with no impact to amounts or disclosures previously reported.

GASB Statement No. 102, *Certain Risk Disclosures* (GASB 102), improves financial reporting by providing users of financial statements with essential information regarding certain concentrations of constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The requirements of this statement are effective for reporting periods beginning after June 15, 2024, with earlier application encouraged. GASB 102 was implemented in the City's fiscal year 2025 financial statements with no impact to amounts or disclosures previously reported.

Note 2. Deposits and Investments

Deposits and investments as of September 30, 2025 consist of the following:

Deposits with financial institutions	$	2,072,256
Investments		77,299,535
	$	79,371,791

Disclosures Relating to Interest Rate Risk
Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by investing mainly in investment pools which purchase a combination of shorter term investments with an average maturity of less than 30 days thus reducing the interest rate risk. The City monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The City has no specific limitations with respect to this metric.

As of September 30, 2025, the City had the following investments:

Investment Type		Weighted Average Amount	Maturity
TexPool	$	77,299,535	41 days

As of September 30, 2025, the City did not invest in any securities which are highly sensitive to interest rate fluctuations.

Disclosures Relating to Credit Risk
Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the Public Funds Investment Act, the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Investment Type		Amount	Minimum Legal Rating	Rating as of September 30, 2025
TexPool	$	77,299,535	AAA	AAAm

Concentration of Credit Risk
The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. As of September 30, 2025, other than external investment pools, the City did not have 5% or more of its investments with one issuer.

Custodial Credit Risk
Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The Public Funds Investment Act and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times.

At September 30, 2025, the carrying amount of the City's cash on hand and deposits were $2,072,256 and the bank balance was $2,957,988. $250,000 of the bank balance was covered by depository insurance under the FDIC, with the remaining $2,707,988 secured with securities held by pledging financial institutions.

Investment in State Investment Pools
The Texpool investment pool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, the investment pool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pool transacts at a net asset value of $1.00 per share, has weighted average maturities of 60 days or less and weighted average lives of 120 days or less, investments held are highly rated by nationally recognized statistical rating organizations, have no more than 5% of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. Texpool has a redemption notice period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity. Texpool is subject to regulatory oversight by the State Treasurer, although it is not registered with the Securities and Exchange Commission.

Note 3. Restricted Assets

Restricted assets in the Enterprise Fund are held for the following purposes in accordance with bond ordinances or other legal restrictions:

Debt Service - Interest and Sinking Fund		
Cash and investments	$	235,193
Refundable water and wastewater deposits		770,504
Total	$	1,005,697

Note 4. Notes Receivable

During the year ended September 30, 2018, the City loaned $460,000 to a residential developer to construct the Mariposa Apartment Homes at Spring Hollow. The purpose of the Loan was to assist Spring Hollow in meeting the requirements for a federal tax credit. As of September 30, 2025, the outstanding balance was $1,000. The remaining balance is due over a 15 year term, bearing an interest rate of 3%.

Note 5. Capital Assets

Capital asset activity for the year ended September 30, 2025, was as follows:

	Balance, October 1, 2024	Additions/ Completions	Retirements/ Adjustments	Balance, September 30, 2025
Governmental activities:				
Capital assets, not being depreciated/amortized:				
Land	$ 20,477,307	$ 7,949	$ -	$ 20,485,256
Construction in progress	20,914,620	26,560,586	(29,093,115)	18,382,091
Total capital assets, not being depreciated/amortized	41,391,927	26,568,535	(29,093,115)	38,867,347
Capital assets being depreciated/amortized:				
Buildings	34,546,134	711,593	28,498,659	63,756,386
Right-to-use subscription assets	336,981	-	-	336,981
Right-to-use lease assets- equipment	31,612	-	-	31,612
Improvements	5,489,395	264,165	528,196	6,281,756
Infrastructure	158,978,379	121,750	-	159,100,129
Equipment	14,507,018	895,962	(425,899)	14,977,081
Total capital assets, being depreciated/amortized	213,889,519	1,993,470	28,600,956	244,483,945
Less accumulated depreciation/amortization for:				
Buildings	10,590,668	875,198	-	11,465,866
Right-to-use subscription assets	167,078	133,253	-	300,331
Right-to-use lease assets- equipment	5,269	5,269	-	10,538
Improvements	1,858,868	293,883	-	2,152,751
Infrastructure	75,663,484	3,651,066	-	79,314,550
Equipment	9,183,076	982,373	(414,905)	9,750,544
Total accumulated depreciation/amortization	97,468,443	5,941,042	(414,905)	102,994,580
Total capital assets being depreciated/amortized, net	116,421,076	(3,947,572)	29,015,861	141,489,365
Governmental activities capital assets, net	$ 157,813,003	$ 22,620,963	$ (77,254)	$ 180,356,712

	Balance, October 1, 2024	Additions/ Completions	Retirements/ Adjustments	Balance, September 30, 2025
Business-type Activities:				
Capital assets, not being depreciated/amortized:				
Land	$ 16,657	$ -	$ -	$ 16,657
Construction in progress	1,387,510	67,190	-	1,454,700
Total capital assets, not being depreciated/amortized	1,404,167	67,190	-	1,471,357
Capital assets, being depreciated/amortized:				
Buildings	154,587	-	-	154,587
Water and wastewater system	49,440,156	72,111	-	49,512,267
Right-to-use subscription assets	17,890	-	-	17,890
Equipment	2,335,414	88,159	-	2,423,573
Total capital assets, being depreciated/amortized	51,948,047	160,270	-	52,108,317
Less accumulated depreciation/amortization				
Buildings	93,158	3,540	-	96,698
Water and wastewater system	16,770,825	1,055,670	-	17,826,495
Right-to-use subscription assets	5,963	5,963	-	11,926
Equipment	1,564,956	173,096	-	1,738,052
Total accumulated depreciation/amortization	18,434,902	1,238,269	-	19,673,171
Total capital assets being depreciated/amortized, net	33,513,145	(1,077,999)	-	32,435,146
Business-type activities capital assets, net	$ 34,917,312	$ (1,010,809)	$ -	$ 33,906,503

Depreciation/amortization expense was charged as direct expense to programs of the primary government as follows:

Governmental activities:		
General administrative office	$	99,902
Municipal court		-
Fire		590,136
Police		501,267
Public works		3,992,846
Community services		193,353
Library		53,088
Inspections/code enforcement		33,059
Animal services		19,338
Fleet maintenance		36,442
Parks		216,537
Information technology		199,520
Communications		5,554
	$	5,941,042
Business-type activities:		
Water and wastewater	$	1,238,269

The City has active construction projects as of September 30, 2025. Total accumulated commitments for capital projects are $2,066,954 for the Capital Projects Fund.

Note 6. Long-Term Debt

In August 2025, the City issued General Obligation Bonds, Series 2025, in the amount of $17,410,000. The General Obligation Bonds, Series 2025 proceeds from the sale will be used to pay all or a portion of the City's contractual obligations incurred in connection with the purpose of designing, constructing, reconstructing, improving, extending, expanding, upgrading and developing streets, roads, sidewalks, thoroughfares and related improvements in the City, including pedestrian right of ways, related drainage, utility relocation, signalization, landscaping, lighting, and signage; and the cost of issuance of the bonds. The bonds will bear an interest rate of between 4.25% and 5.00%. The bonds were sold at a premium of $742,614.

In August 2025, the City issued Combination Tax and Revenue Certificates of Obligation Bonds, Series 2025, in the amount of $4,990,000. The Combination Tax and Revenue Certificates of Obligation Bonds, Series 2025 proceeds from the sale will be used to acquiring, constructing, and equipping additions, improvements, extensions, and equipment for the City's waterworks and sewer system, including the acquisition of land and rights-of-way therefor; and legal, fiscal and engineering fees in connection with such projects. The bonds will bear an interest rate of between 4.00% and 5.00%. The bonds were sold at a premium of $185,037.

At September 30, 2025, the City's bonds payable and tax notes consisted of the following:

	Governmental	Business-type
2013 General Obligation Refunding Bonds, dated August 29, 2013, due in annual installments through September 1, 2033, bearing interest rates of 2% to 4.1%.	$ 3,795,000	$ -
2015 General Obligation Bonds, dated September 7, 2015, due in annual installments through September 1, 2035, bearing an interest rate of 1.00% through 3.50%.	4,320,000	-
2015 General Obligation Refunding Bonds, dated December 22, 2015, due in annual installments through September 1, 2027, bearing an interest rate of 1.98%.	-	325,000
2016 General Obligation Refunding Bonds, dated June 21, 2016, due in annual installments through September 1, 2027, bearing an interest rate of 1.69%.	850,000	-
2017 General Obligation Bonds, dated June 1, 2017, due in annual installments through September 1, 2037, bearing an interest rate of 3.00%.	5,265,000	-
2019 Tax Notes, dated September 17, 2019, due in annual installments through March 1, 2026, bearing an interest rate of 1.40%.	240,000	-
2019 General Obligation Refunding Bonds, dated November 13, 2019, due in annual installments through September 1, 2025, bearing an interest rate of 1.63%.	-	-
2020 General Obligation Refunding Bonds, dated June 1, 2020, due in annual installments through September 1, 2030, bearing an interest rate of 1.11%.	590,000	-
2020 Certificates of Obligation Bonds, dated August 15, 2020, due in annual installments through September 1, 2040, bearing interest rates of 2% to 4%.	15,885,000	-
2021 General Obligation Bonds, dated August 1, 2021, due in annual installments through September 1, 2041, bearing an interest rate of 2% to 4%.	6,985,000	-
2022 General Obligation Bonds, dated June 1, 2022, due in annual installments through September 1, 2042, bearing an interest rate of 4% to 5%.	21,045,000	-
2023 General Obligation Bonds, dated April 1, 2023, due in annual installments through September 1, 2043, bearing an interest rate of 4% to 5%.	15,190,000	-
2025 General Obligation Bonds, dated August 1, 2025, due in annual installments through September 1, 2045, bearing an interest rate of 4.25% to 5%.	17,410,000	-
2025 Combination Tax and Revenue Certificates of Obligation Bonds, dated August 1, 2025, due in annual installments through September 1, 2045, bearing an interest rate of 4% to 5%.	-	4,990,000
Premium on bonds	6,733,177	-
Total bonds payable	$ 98,308,177	$ 5,315,000

The following is a summary of long-term debt transactions of the City for the year ended September 30, 2025:

	Balance, October 1, 2024	Increases	Decreases	Balance, September 30, 2025	Due Within One Year
Governmental activities:					
General obligation bonds	$ 60,885,000	$ 17,410,000	$ (2,845,000)	$ 75,450,000	$ 2,590,000
Certificates of obligation	16,685,000	-	(800,000)	15,885,000	815,000
Tax notes	475,000	-	(235,000)	240,000	240,000
Financed purchases	207,331	-	(68,998)	138,333	71,594
Subscriptions payable	151,265	-	(117,525)	33,740	24,262
Leases payable	31,612	-	(4,726)	26,886	4,931
Premiums on bonds	6,439,285	742,614	(448,722)	6,733,177	-
Arbitrage payable	1,016,083	-	-	1,016,083	-
Net pension liability	12,070,897	28,038	-	12,098,935	-
Total OPEB liability	364,793	-	(7,891)	356,902	-
Total governmental activities	$ 98,326,266	$ 18,180,652	$ (4,527,862)	$ 111,979,056	$ 3,745,787
Business-type activities:					
General obligation bonds	$ 485,000	$ -	$ (160,000)	$ 325,000	$ 160,000
Certificates of obligation	-	4,990,000	-	4,990,000	145,000
Premiums on bonds	-	185,037	(1,919)	183,118	-
Subscriptions payable	11,640	-	(5,681)	5,959	5,959
Net pension liability	1,330,991	3,465	-	1,334,456	-
Total OPEB liability	46,546	-	(975)	45,571	-
Total business-type activities	$ 1,874,177	$ 5,178,502	$ (168,575)	$ 6,884,104	$ 310,959

The City issues general obligation bonds and certificates of obligation. General obligation bonds and certificates of obligation are direct obligations of the City and pledge the full faith and credit of the City.

The annual requirements to amortize all debts outstanding as of September 30, 2025, are as follows:

General Obligation Bonds

Due Fiscal Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2026	$ 2,590,000	$ 3,269,571	$ 5,859,571
2027	3,135,000	3,119,632	6,254,632
2028	3,565,000	3,005,133	6,570,133
2029	3,745,000	2,856,601	6,601,601
2030	4,025,000	2,698,770	6,723,770
2031-2035	22,540,000	10,699,827	33,239,827
2036-2040	21,450,000	5,962,355	27,412,355
2041-2045	14,400,000	1,517,221	15,917,221
Totals	$ 75,450,000	$ 33,129,110	$ 108,579,110

Certificates of Obligation

Due Fiscal Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2026	$ 815,000	$ 860,240	$ 1,675,240
2027	840,000	809,306	1,649,306
2028	865,000	776,106	1,641,106
2029	890,000	741,656	1,631,656
2030	925,000	697,056	1,622,056
2031-2035	5,210,000	2,445,318	7,655,318
2036-2040	6,340,000	780,200	7,120,200
2041-2045	-	-	-
Totals	$ 15,885,000	$ 7,109,882	$ 22,994,882

Tax Notes

Due Fiscal Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2026	$ 240,000	$ 1,680	$ 241,680
Totals	$ 240,000	$ 1,680	$ 241,680

General Obligation Bonds

Due Fiscal Year Ending September 30,	Business-type Activities		
	Principal	Interest	Total
2026	$ 160,000	$ 6,435	$ 166,435
2027	165,000	3,267	168,267
Totals	$ 325,000	$ 9,702	$ 334,702

Certificates of Obligation

Due Fiscal Year Ending September 30,	Business-type Activities		
	Principal	Interest	Total
2026	$ 145,000	$ 250,040	$ 395,040
2027	160,000	223,556	383,556
2028	170,000	215,556	385,556
2029	180,000	207,056	387,056
2030	190,000	198,056	388,056
2031-2035	1,085,000	840,030	1,925,030
2036-2040	1,370,000	556,330	1,926,330
2041-2045	1,690,000	240,277	1,930,277
Totals	$ 4,990,000	$ 2,730,901	$ 7,720,901

Financed Purchases

The City has entered into agreements for the financed purchase of equipment, with each agreement having a maximum allowable amount equal to the principal due as scheduled. The future debt service principal and interest payment requirements for the agreements are as follows:

Financed Purchases

Due Fiscal Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2026	$ 71,594	$ 5,206	$ 76,800
2027	66,739	2,511	69,250
Totals	$ 138,333	$ 7,717	$ 146,050

Leases Payable

The City has entered into multiple lease agreements as lessee. The leases allow the right-to-use equipment over the term of the lease. The City is required to make annual payments at its incremental borrowing rate or the interest rate stated or implied within the leases. The lease rate, term and ending lease liability are as follows:

	Interest Rate(s)	Lease Term in Years	Ending Balance
Governmental activities			
Equipment	4.334%	6	$ 26,886
Total governmental activities			$ 26,886

The future principal and interest lease payments as of fiscal year end are as follows:

Due Fiscal Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2026	$ 4,931	$ 1,165	$ 6,096
2027	5,145	952	6,097
2028	5,367	729	6,096
2029	5,600	496	6,096
2030	5,843	253	6,096
Totals	$ 26,886	$ 3,595	$ 30,481

The value of the right-to-use assets as of the end of the current fiscal year was $31,612 and had accumulated amortization of $10,538.

Subscription Based Information Technology Arrangements (SBITA)
The City has entered into multiple SBITAs that allow the right-to-use the SBITA vendor's information technology software over the subscription term. The City is required to make annual payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs. The SBITA rate, term, and ending subscription liability are as follows:

	Interst Rate(s)	Subscription Term in Years	Ending Balance
Governmental activities			
Software	3.964-5.298%	3-7	$ 33,740
Total governmental activities			$ 33,740
Business-type activities			
Software	5%	3	$ 5,959
Total business-type activities			$ 5,959

The future principal and interest SBITA payments as of fiscal year end are as follows:

Subscriptions Payable

Due Fiscal Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2026	$ 24,262	$ 1,581	$ 25,843
2027	2,998	502	3,500
2028	3,156	343	3,499
2029	3,324	176	3,500
Totals	$ 33,740	$ 2,602	$ 36,342

Subscriptions Payable

Due Fiscal Year Ending September 30,	Business-type Activities		
	Principal	Interest	Total
2026	$ 5,959	$ 291	$ 6,250
Totals	$ 5,959	$ 291	$ 6,250

The value of the subscription assets recorded in the governmental activities at the end of the current fiscal year was $336,981 and had accumulated amortization of $300,331. The value of the subscription assets recorded in the business-type activities at the end of the current fiscal year was $17,890 and had accumulated amortization of $11,926.

Federal Arbitrage
The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed or performed correctly, a liability to the City could result. The City periodically engages an arbitrage consultant to perform the calculations in accordance with the Internal Revenue Service's rules and regulations. The City has recorded an arbitrage liability in the amount of $1,016,083 as of September 30, 2025.

Note 7. Property Tax

Property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business property located in the City. Taxable assessed value represents the appraisal value less applicable exemptions authorized by the City Council.

Taxes are due on October 1, the levy date, and are delinquent after the following January 31. Tax assessments are automatic on January 1, each year. Penalties and interest are included for any payment received after January 31. Penalties start at 6% of the outstanding balance, respectively and increase to 12% for payments received after July 1. Interest increases 1% for each month the balance is outstanding after January 31.

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual have been recognized as revenue. Property taxes are recorded net of the allowance for uncollectible taxes ($64,433 for the General Fund and $49,573 for the Debt Service Fund). The allowance is evaluated annually based upon analysis of historical trends, current economic conditions and other pertinent factors. Uncollectible personal property taxes are written off upon expiration of the five-year statute of limitations.

Note 8. Pension Plan

Plan Description
The City participates as one of 942 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at *tmrs.com*.

All eligible employees of the City are required to participate in TMRS.

Benefits Provided
TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the Member's benefit is calculated based on the sum of the Member's contributions, with interest, and the city-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes. Plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2-1
A member is vested after	5 years
Updated service credit	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI Repeating

Members can retire at certain ages, based on the years of service with the City. The Service Retirement Eligibilities for the City are 5 years at 60 years of age or 20 years at any age.

Employees Covered by Benefit Terms
At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	87
Inactive employees entitled to but not yet receiving benefits	118
Active employees	164
	369

Contributions
Member contribution rates in TMRS are either 5%, 6% or 7% of the Member's total compensation, and the City matching percentages are either 100%, 150% or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each City is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the City of Saginaw were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Saginaw were 20.85% and 21.69% in calendar years 2024 and 2025, respectively. The City's contributions to TMRS for the year ended September 30, 2025, were $2,660,712.

Net Pension Liability
The City's Net Pension Liability (NPL) was measured as of December 31, 2024 and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions
The Total Pension Liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by the most recent Scale MP- 2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2123, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of the expected return for each major asset class in fiscal year 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Public Equity	35.0%	7.10%
Core Fixed Income	6.0%	5.00%
Non-Core Fixed Income	6.0%	6.80%
Hedge Funds	5.0%	6.40%
Private Equity	13.0%	8.50%
Private Debt	13.0%	8.20%
Real Estate	12.0%	6.70%
Infrastructure	6.0%	6.00%
Other Public and Private Markets	4.0%	7.30%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Member and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive Members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2023	$ 61,875,194	$ 48,473,306	$ 13,401,888
Changes for the year:			
Service cost	2,456,533	-	2,456,533
Interest	4,185,717	-	4,185,717
Change of benefit terms	-	-	-
Difference between expected and actual experience	1,957,039	-	1,957,039
Changes of assumptions	-	-	-
Contributions - employer	-	2,660,712	(2,660,712)
Contributions - employee	-	893,285	(893,285)
Net investment income	-	5,046,846	(5,046,846)
Benefit payments, including refunds of employee contributions	(2,185,662)	(2,185,662)	-
Administrative expense	-	(32,302)	32,302
Other changes	-	(755)	755
Net changes	6,413,627	6,382,124	31,503
Balance at December 31, 2024	$ 68,288,821	$ 54,855,430	$ 13,433,391

Sensitivity of the Net Pension Liability to Changes in the Discount Rate
The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	$ 23,415,039	$ 13,433,391	$ 5,268,180

Pension Plan Fiduciary Net Position
Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
For the year ended September 30, 2025, the City recognized pension expense of $3,123,634.

At September 30, 2025, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 2,144,325	$ (82,001)
Changes in actuarial assumptions	-	(125,155)
Difference between projected and actual investment earnings	-	(621,505)
Contributions subsequent to the measurement date	2,225,225	-
Totals	$ 4,369,550	$ (828,661)

$2,225,225 was reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2025 (i.e., recognized in the City's financial statements for the year ended September 30, 2026). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	
2025	$ 721,954
2026	1,057,537
2027	(202,040)
2028	(261,787)
Totals	$ 1,315,664

Note 9. Postemployment Benefits Other Than Pensions

Plan Description
The City participates in a single employer, defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF) administered by the Texas Municipal Retirement System (TMRS). The SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan.

The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The city may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

Benefits
The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered another postemployment benefit (OPEB) and is a fixed amount of $7,500.

Employees Covered by Benefit Terms
At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	66
Inactive employees entitled to but not yet receiving benefits	21
Active employees	164
	251

Total OPEB Liability
The City's total OPEB liability of $402,473 was measured as of December 31, 2024 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions
The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Overall payroll growth	3.6% to 11.85%, including inflation
Discount Rate	4.08%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables and due to the size of the City, rates are multiplied by an additional factor of 100%. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the mortality tables for healthy retirees is used with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor. Mortality rates for pre-retirement were based on the PUB(10) mortality tables, with the Public Safety table used for males and General Employee table used for females. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements.

Discount Rate
The discount rate was to measure the total OPEB liability was 4.08%. The discount rate was based on Fidelity Index's "20-Year Municipal GO AA Index" rate as of the measurement date.

	Total OPEB Liability
Balance at December 31, 2023	$ 411,339
Changes for the year:	
Service cost	20,418
Interest	15,676
Change of benefit terms	-
Difference between expected and actual experience	(11,057)
Changes of assumptions or other inputs	(22,418)
Benefit payments	(11,485)
Net changes	(8,866)
Balance at December 31, 2024	$ 402,473

Sensitivity of the Net OPEB liability to Changes in the Discount Rate
The following presents the total OPEB liability of the City, calculated using the discount rate of 4.08%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08%) or 1-percentage-point higher (5.08%) than the current rate:

	1% Decrease in Discount Rate (3.08%)	Discount Rate (4.08%)	1% Increase in Discount Rate (5.08%)
City's OPEB liability	$ 481,427	$ 402,473	$ 341,002

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
For the year ended September 30, 2025, the City recognized OPEB expense of $17,197.

At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 927	$ (24,261)
Changes in actuarial assumptions	55,356	(135,106)
Contributions subsequent to the measurement date	9,233	-
Total	$ 65,516	$ (159,367)

$9,233 was reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date and will be recognized as a reduction of the net OPEB liability for the measurement year ending December 31, 2025 (i.e., recognized in the City's financial statements for the year ended September 30, 2026). Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31,		
2025	$	(18,184)
2026		(18,787)
2027		(28,680)
2028		(32,327)
2029		(4,295)
Thereafter		(811)
Total	$	(103,084)

Note 10. Commitments

The City renewed a twenty (20) year contract in 2017 with the City of Fort Worth for the treatment and transportation of wastewater. Payments under this contract are on a strength and volume basis per month. Also, there is a twenty-five dollar ($25) per meter monthly service charge.

The City renewed a twenty (20) year contract in 2010 with the City of Fort Worth for the delivery of treated water. Payments under this contract are on a volume and rate of use basis per month. There is also a twenty-five dollar ($25) per meter monthly service charge.

The City currently has four agreements under Chapter 380 of the Texas Local Government Code, for the reimbursement of development costs and redevelopment incentives. The balance to be paid under these agreements total $3,336,265 of September 30, 2025.

Note 11. Interfund Balances and Transfers

Interfund balances reflect payments made by one fund on behalf of another fund for which cash settlement has not been made as of the end of the accounting period. Amounts due to and from other funds will be settled within the next accounting period. As of September 30, 2025, there were no interfund balances outstanding.

All interfund transfers between the various funds are approved supplements to the operations of those funds.

Receivable Fund	Payable Fund	Amount
General Fund	Enterprise Fund	$ 1,264,604
General Fund	Saginaw CCPD Fund	1,507,125
General Fund	Donations Fund	10,655
General Fund	Escrow Fund	26,356
General Fund	Drainage Utility Fund	214,585
Enterprise Fund	Drainage Utility Fund	134,450
Escrow Fund	General Fund	137,945
		$ 3,295,720

Transfers are primarily used to move funds from:

- The Enterprise Fund to the General Fund for indirect costs such as information systems services, administrative oversight, audit services, legal services, and building overhead costs. The Enterprise Fund also pays a portion of the cost of fleet maintenance.
- The Saginaw CCPD Fund to the General Fund for salaries and benefits for eleven and (1/2) patrol officers, one public services officer, and one dispatcher.
- The Donations Fund to the General Fund for salaries of seasonal part time student apprentices.
- The Escrow Fund to the General Fund for the overtime of police officers acting as bailiff for the Municipal Court.
- The Drainage Utility Fund to the General Fund for salaries and benefits of two drainage utility maintenance workers.
- The Drainage Utility Fund to the Enterprise Fund for half (1/2) of the cost of the environmental specialist and environmental assistant.
- The General Fund to the Escrow Fund for the annual contribution to the equipment replacement escrow.

Note 12. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City insures its buildings and contents, law enforcement liability, public officials' liability, general liability and auto liability under a renewable one year policy with the Texas Municipal League. The City insures its workers compensation risk by participating in the Texas Municipal League Intergovernmental Risk Pool which is a self-insurance policy mechanism for political subdivisions in Texas. Rates are set by the State Insurance Board. Each participant's contribution to the pool is adjusted based on its workers' compensation history. The City is responsible only to the extent of premiums paid and contributions made to Texas Municipal League and the Intergovernmental Risk Pool. There have been no significant changes in insurance coverage as compared to last year and settlements have not exceeded coverage in each of the past three fiscal years.

Note 13. Tax Abatements and Economic Incentive Agreements

Tax Abatements under Chapter 312 of the Texas Tax Code and economic incentive agreements under Chapter 380 of the Texas Tax Code allow the City to negotiate tax abatement agreements and economic incentive agreements with applicants. These agreements authorize the appraisal districts to reduce the assessed value of the taxpayer's property by a percentage specified in the agreement, and the taxpayer will pay taxes on the lower assessed value during the term of the agreement. There were no property taxes abated under these programs in fiscal year 2025.

Note 14. New Accounting Pronouncements

The GASB pronouncements effective in fiscal years 2026 and beyond are listed as follows:

GASB Statement No. 103, *Financial Reporting Model Improvements* (GASB 103), improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 103 will be implemented in the City's fiscal year 2026 financial statements and the impact has not yet been determined.

GASB Statement No. 104*, Disclosure of Certain Capital Assets* (GASB 104), establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 104 will be implemented in the City's fiscal year 2026 financial statements and the impact has not yet been determined.

GASB Statement No. 105, *Subsequent Events* (GASB 105), improves financial reporting related to subsequent events by 1) clarifying the subsequent events time frame and the subsequent events that constitute recognized and non-recognized events and 2) specifies the information items that are required to be disclosed about subsequent events. The requirements of this statement are effective for reporting periods beginning after June 15, 2026, with earlier application encouraged. GASB 105 will be implemented in the City's fiscal year 2027 financial statements and the impact has not yet been determined.

Note 15. Lease Receivable

The City has entered into multiple lease agreements as lessor. The leases allow the right-to-use of land, buildings, and infrastructure to other organizations over the term of the lease. The City receives monthly payments at the interest rate stated or implied within the leases. The interest rates for these leases range from 3.0% to 5.0%. The City has $293,908 remaining in lease receivables and deferred inflows as of September 30, 2025 recorded in the General Fund.

As of September 30, 2025, expectation of lease receipts through the expiration of all leases is as follows:

Year Ending September 30,	Lease Principal	Lease Interest	Totals
2026	$ 7,421	$ 8,817	$ 16,238
2027	7,643	8,595	16,238
2028	7,873	8,365	16,238
2029	8,109	8,129	16,238
2030	8,352	7,886	16,238
2031-2035	58,603	34,764	93,367
2036-2040	82,808	24,564	107,372
2041-2045	113,099	10,379	123,478
2046-2050	-	-	-
	$ 293,908	$ 111,499	$ 405,407

City of Saginaw

Required Supplementary Information

City of Saginaw, Texas

Schedule of Changes in Net Pension Liability and Related Ratios
Texas Municipal Retirement System

	Year Ended December 31									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL PENSION LIABILITY										
Service cost	$ 1,192,902	$ 1,237,546	$ 1,287,912	$ 1,567,813	$ 1,671,277	$ 1,762,184	$ 1,821,205	$ 1,995,996	$ 2,164,084	$ 2,456,533
Interest (on the total pension liability)	2,134,257	2,224,580	2,372,294	2,777,269	2,979,679	3,152,810	3,370,126	3,637,636	3,867,398	4,185,717
Changes of benefit terms	-	-	-	3,431,070	-	-	-	-	-	-
Difference between expected and actual experience	(194,482)	(306,070)	(93,610)	(144,360)	(819,741)	(1,584)	797,877	(197,924)	845,733	1,957,039
Change of assumptions	89,204	-	-	-	147,074	-	-	-	(215,531)	-
Benefit payments, including refunds of employee contributions	(800,864)	(752,837)	(1,232,910)	(1,043,059)	(1,464,519)	(1,453,169)	(1,993,694)	(2,233,263)	(1,998,479)	(2,185,662)
Net change in total pension liability	2,421,017	2,403,219	2,333,686	6,588,733	2,513,770	3,460,241	3,995,514	3,202,445	4,663,205	6,413,627
Total pension liability, beginning	30,293,364	32,714,381	35,117,600	37,451,286	44,040,019	46,553,789	50,014,030	54,009,544	57,211,989	61,875,194
TOTAL PENSION LIABILITY, ending (a)	$ 32,714,381	$ 35,117,600	$ 37,451,286	$ 44,040,019	$ 46,553,789	$ 50,014,030	$ 54,009,544	$ 57,211,989	$ 61,875,194	$ 68,288,821
PLAN FIDUCIARY NET POSITION										
Contributions - employer	$ 1,351,553	$ 1,404,336	$ 1,427,850	$ 1,491,686	$ 1,924,856	$ 2,057,464	$ 2,063,642	$ 2,266,421	$ 2,456,559	$ 2,660,712
Contributions - employee	453,288	472,046	488,154	513,196	631,692	664,617	684,296	751,180	809,220	893,285
Net investment income	31,855	1,527,402	3,497,782	(880,810)	4,556,996	2,665,162	5,088,715	(3,275,194)	4,907,842	5,046,846
Benefit payments, including refunds of employee contributions	(800,864)	(752,837)	(1,232,910)	(1,043,059)	(1,464,519)	(1,453,169)	(1,993,694)	(2,233,263)	(1,998,479)	(2,185,662)
Administrative expense	(19,398)	(17,251)	(18,123)	(17,017)	(25,732)	(17,230)	(23,521)	(28,308)	(31,167)	(32,302)
Other	(958)	(929)	(920)	(889)	(773)	(672)	161	33,780	(218)	(755)
Net change in plan fiduciary net position	1,015,476	2,632,767	4,161,833	63,107	5,622,520	3,916,172	5,819,599	(2,485,384)	6,143,757	6,382,124
Plan fiduciary net position, beginning	21,583,459	22,598,935	25,231,702	29,393,535	29,456,642	35,079,162	38,995,334	44,814,933	42,329,549	48,473,306
PLAN FIDUCIARY NET POSITION, ending (b)	$ 22,598,935	$ 25,231,702	$ 29,393,535	$ 29,456,642	$ 35,079,162	$ 38,995,334	$ 44,814,933	$ 42,329,549	$ 48,473,306	$ 54,855,430
NET PENSION LIABILITY/ (ASSET), ending (a) - (b)	$ 10,115,446	$ 9,885,898	$ 8,057,751	$ 14,583,377	$ 11,474,627	$ 11,018,696	$ 9,194,611	$ 14,882,440	$ 13,401,888	$ 13,433,391
Plan fiduciary net position as a percentage of total pension liability	69.08%	71.85%	78.48%	66.89%	75.35%	77.97%	82.98%	73.99%	78.34%	80.33%
Covered payroll	$ 7,554,795	$ 7,867,428	$ 8,135,894	$ 8,553,265	$ 9,024,174	$ 9,494,529	$ 9,775,660	$ 10,731,159	$ 11,560,279	$ 12,761,210
Net pension liability as a percentage of covered payroll	133.89%	125.66%	99.04%	170.50%	127.15%	116.05%	94.06%	138.68%	115.93%	105.27%

Other Information:

Notes There were no benefit changes during the year.

City of Saginaw, Texas
Schedule of Contributions
Texas Municipal Retirement System

	Year Ended September 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	$ 1,351,553	$ 1,404,336	$ 1,427,850	$ 1,491,686	$ 1,924,856	$ 2,057,164	$ 2,063,642	$ 2,266,421	$ 2,456,559	$ 2,660,712
Contributions in relation to the actuarially determined contribution	1,416,758	1,437,537	1,488,506	1,819,055	1,943,565	2,060,541	2,248,369	2,336,850	2,691,308	3,056,668
Contribution deficiency (excess)	$ (65,205)	$ (33,201)	$ (60,656)	$ (327,369)	$ (18,709)	$ (3,377)	$ (184,727)	$ (70,429)	$ (234,749)	$ (395,956)
Covered payroll	$ 8,101,429	$ 8,085,355	$ 8,444,346	$ 8,911,253	$ 9,003,652	$ 9,609,280	$ 10,558,419	$ 10,882,799	$ 12,664,687	$ 12,761,210
Contributions as a percentage of covered payroll	17.49%	17.78%	17.63%	20.41%	21.59%	21.44%	21.29%	21.47%	21.25%	23.95%

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method Level	Level Percentage of Payroll, Closed
Remaining Amortization Period	21 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 100% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

Other Information:

Notes	There were no benefit changes during the year.

City of Saginaw, Texas

Schedule of Changes in Total OPEB Liability and Related Ratios
Texas Municipal Retirement System

	Year Ended December 31							
	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL OPEB LIABILITY								
Service cost	$ 14,645	$ 17,962	$ 17,146	$ 22,787	$ 28,348	$ 33,268	$ 17,340	$ 20,418
Interest	11,297	11,619	12,605	11,104	10,150	10,278	15,435	15,676
Difference between expected and actual experience	-	(13,397)	(29,760)	2,855	150	(2,387)	(10,486)	(11,057)
Changes of assumptions or other inputs	27,069	(24,428)	63,993	69,040	17,686	(201,163)	21,805	(22,418)
Benefit payments*	(2,441)	(2,566)	(2,707)	(2,848)	(6,843)	(8,585)	(10,404)	(11,485)
Net change in total OPEB liability	50,570	(10,810)	61,277	102,938	49,491	(168,589)	33,690	(8,866)
Total OPEB liability, beginning	292,772	343,342	332,532	393,809	496,747	546,238	377,649	411,339
Total OPEB LIABILITY, ending	$ 343,342	$ 332,532	$ 393,809	$ 496,747	$ 546,238	$ 377,649	$ 411,339	$ 402,473
Covered-employee payroll	$ 8,135,894	$ 8,553,265	$ 9,024,174	$ 9,494,529	$ 9,775,660	$ 10,731,159	$ 11,560,279	$ 12,761,210
Total OPEB liability as a percentage of covered payroll	4.22%	3.89%	4.36%	5.23%	5.59%	3.52%	3.56%	3.15%

Other Information:

Notes: GASB 75, Paragraph 97, requires that the information on this schedule be data from the period corresponding with the period covered as of the measurement date of December 31, 2024 - the period from January 1, 2024 - December 31, 2024.

Only eight years of data is presented in accordance with GASB 75 paragraph 245. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

There are no assets accumulated in a trust that meets the criteria for GASB codification P22.101 or P52.1010 to pay related benefits for the OPEB plan.

City of Saginaw, Texas

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
General Fund
For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP	Variance with Final Budget
	Original	Final	Basis	Over / (Under)
REVENUES				
Taxes	$ 18,002,320	$ 17,742,865	$ 17,959,304	$ 216,439
Licenses and permits	896,230	881,230	873,750	(7,480)
Charges for services	118,000	141,600	141,600	-
Fines and fees	906,325	1,250,875	1,358,046	107,171
Interest income	840,000	803,000	796,312	(6,688)
Recreation income	364,960	361,930	378,034	16,104
Intergovernmental	29,000	632,000	638,760	6,760
Miscellaneous revenues	80,000	45,000	50,907	5,907
Total revenues	21,236,835	21,858,500	22,196,713	338,213
EXPENDITURES				
Current:				
General administrative office	2,830,380	3,010,155	3,240,290	230,135
Municipal court	253,440	253,840	252,300	(1,540)
Fire	5,341,940	5,441,240	5,630,507	189,267
Police	7,201,065	7,031,965	7,404,122	372,157
Public works	2,254,930	2,252,000	2,427,698	175,698
Parks	425,780	463,565	466,100	2,535
Community services	1,482,065	1,313,400	1,303,771	(9,629)
Library	967,715	986,745	1,002,218	15,473
Inspections/code enforcement	1,104,385	1,107,080	1,139,785	32,705
Animal services	646,670	660,060	697,343	37,283
City garage	744,100	713,180	723,343	10,163
Economic development	153,950	95,450	110,422	14,972
Information technology	753,940	769,065	750,352	(18,713)
Emergency management	34,620	34,830	27,230	(7,600)
Communications	172,420	240,555	301,376	60,821
Capital outlay	1,212,670	1,720,145	1,284,412	(435,733)
Debt service:				
Principal retirement	-	-	46,422	46,422
Interest charges	-	-	3,872	3,872
Total expenditures	25,580,070	26,093,275	26,811,563	718,288
EXCESS (DEFICENCY) OF REVENUES OVER EXPENDITURES	(4,343,235)	(4,234,775)	(4,614,850)	(380,075)
OTHER FINANCING SOURCES (USES)				
Proceeds from right to use subscription assets	-	-	-	-
Proceeds from right to use leased assets	-	-	-	-
Transfers in	3,011,970	3,011,970	3,009,982	(1,988)
Transfers out	(102,945)	(161,445)	(137,945)	23,500
Total other financing sources (uses)	2,909,025	2,850,525	2,872,037	21,512
Net change in fund balance	(1,434,210)	(1,384,250)	(1,742,813)	(358,563)
FUND BALANCES, beginning of year	14,666,114	14,666,114	14,666,114	-
FUND BALANCES, end of year	$ 13,231,904	$ 13,281,864	$ 12,923,301	$ (358,563)

City of Saginaw

Combining and Individual Fund Financial Statements and Schedules

City of Saginaw

Non-Major Governmental Funds

City of Saginaw, Texas
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2025

	Special Revenue								
	Police Fund	TIRZ 1 Fund	Saginaw CCPD Fund	Drainage Utility Fund	Street Maintenance Fund	Donations Fund	Beltmill PID Fund	Escrow Fund	Total Other Governmental Funds
ASSETS									
Deposits and investments	$ 105,041	$ 170,529	$ 606,009	$ 1,988,601	$ 3,166,645	$ 755,361	$ 94,638	$ 4,727,595	$ 11,614,419
Receivables									
Other	-	-	-	101,309	-	42,195	-	24,008	167,512
Taxes, net	-	-	306,509	-	108,035	-	-	-	414,544
TOTAL ASSETS	$ 105,041	$ 170,529	$ 912,518	$ 2,089,910	$ 3,274,680	$ 797,556	$ 94,638	$ 4,751,603	$ 12,196,475
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable and accrued liabilities	$ 40	$ -	$ -	$ 14,712	$ 1,800	$ 41,646	$ 1,592	$ 4,357	$ 64,147
Unearned revenue	-	-	-	-	-	43,113	-	-	43,113
Total liabilities	40	-	-	14,712	1,800	84,759	1,592	4,357	107,260
Fund balances:									
Restricted:									
Street maintenance	-	-	-	-	3,272,880	-	-	-	3,272,880
Crime prevention	105,001	-	912,518	-	-	-	-	-	1,017,519
Drainage	-	-	-	2,075,198	-	-	-	-	2,075,198
Public improvements	-	170,529	-	-	-	-	93,046	-	263,575
Other special revenue	-	-	-	-	-	-	-	4,747,246	4,747,246
Committed:									
Donations	-	-	-	-	-	712,797	-	-	712,797
Total fund balances	105,001	170,529	912,518	2,075,198	3,272,880	712,797	93,046	4,747,246	12,089,215
TOTAL LIABILITIES AND FUND BALANCES	$ 105,041	$ 170,529	$ 912,518	$ 2,089,910	$ 3,274,680	$ 797,556	$ 94,638	$ 4,751,603	$ 12,196,475

City of Saginaw, Texas

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Non-Major Governmental Funds
For the Fiscal Year Ended September 30, 2025

	Special Revenue								
	Police Fund	TIRZ 1 Fund	Saginaw CCPD Fund	Drainage Utility Fund	Street Maintenance Fund	Donations Fund	Beltmill PID Fund	Escrow Fund	Total Other Governmental Funds
REVENUES									
Taxes	$ -	$ 177,152	$ 1,844,612	$ -	$ 640,159	$ -	$ 442,482	$ 124,823	$ 3,229,228
Fines and fees	-	-	-	-	-	-	-	36,028	36,028
Intergovernmental	-	-	4,722	-	-	-	-	-	4,722
Miscellaneous	23,000	-	-	-	-	338,916	-	203,010	564,926
Interest income	4,205	7,198	46,754	69,136	124,705	29,740	14,978	196,360	493,076
Charges for services	-	-	-	1,048,529	-	-	-	-	1,048,529
Total revenues	27,205	184,350	1,896,088	1,117,665	764,864	368,656	457,460	560,221	5,376,509
EXPENDITURES									
Current:									
General administrative office	-	7,738	-	88,643	199,505	295,611	440,882	116,358	1,148,737
Police	8,408	-	38,598	-	-	-	-	-	47,006
Inspections	-	114,947	-	-	-	-	-	-	114,947
Capital outlay	-	-	445,851	161,481	55,440	77,277	-	144,605	884,654
Debt service:									
Principal retirement	-	-	141,951	-	-	2,704	-	-	144,655
Interest charges	-	-	11,923	-	-	796	-	-	12,719
Total expenditures	8,408	122,685	638,323	250,124	254,945	376,388	440,882	260,963	2,352,718
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	18,797	61,665	1,257,765	867,541	509,919	(7,732)	16,578	299,258	3,023,791
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	13,343	-	-	-	-	137,945	151,288
Transfers out	-	-	(1,507,125)	(349,035)	-	(10,655)	-	(26,356)	(1,893,171)
Total other financing sources (uses)	-	-	(1,493,782)	(349,035)	-	(10,655)	-	111,589	(1,741,883)
Net change in fund balances	18,797	61,665	(236,017)	518,506	509,919	(18,387)	16,578	410,847	1,281,908
Fund balances, beginning of year	86,204	108,864	1,148,535	1,556,692	2,762,961	731,184	76,468	4,336,399	10,807,307
FUND BALANCES, end of year	$ 105,001	$ 170,529	$ 912,518	$ 2,075,198	$ 3,272,880	$ 712,797	$ 93,046	$ 4,747,246	$ 12,089,215

City of Saginaw

Special Revenue Funds

The following funds have legally adopted budgets:

Saginaw Crime Control and Prevention District Fund – Used to account for funds to be used to address crime control and prevention.

Police Fund – Used to account for confiscated and asset forfeitures that were awarded to the City and approved expenditures.

Drainage Utility Fund – Used to account for fees assessed on properties based on the amount of storm water runoff they produce and the costs of operating the storm drainage system.

Street Maintenance Fund – Used to account for the sales tax revenues restricted for the purpose of street maintenance and repairs.

Donations Fund – Used to account for donations received by the City committed for specific purposes.

Beltmill PID Fund – Used to account for funds that are received and are to be used for the Beltmill development.

TIRZ 1 Fund – Used to account for revenues generated from increased values of properties located within the zone. Expenses are incurred for the repayment of the related infrastructure cost.

Escrow Fund – Used to account for hotel/motel taxes, court technology and security fees, gas production proceeds, and insurance settlements received by the City.

City of Saginaw, Texas

Comparative Balance Sheets
Saginaw Crime Control and Prevention District Fund
September 30, 2025 and 2024

	2025	2024
ASSETS		
Deposits and investments	$ 606,009	$ 1,171,268
Receivables		
Taxes, net of allowance	306,509	297,679
TOTAL ASSETS	$ 912,518	$ 1,468,947
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable and accrued liabilities	$ -	$ 320,412
Total liabilities	-	320,412
FUND BLANCES		
Restricted for crime prevention	912,518	1,148,535
Total fund balances	912,518	1,148,535
TOTAL LIABILITIES AND FUND BALANCES	$ 912,518	$ 1,468,947

City of Saginaw, Texas

Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
Saginaw Crime Control and Prevention District Fund
For the Fiscal Year Ended September 30, 2025 and 2024

	Budgeted Amounts		Actual GAAP	Variance with Final Budget	Actual GAAP Basis
	Original	Final	Basis	Positive (Negative)	2024
REVENUE					
Taxes	$ 1,976,215	$ 1,816,450	$ 1,844,612	$ 28,162	$ 1,837,637
Intergovernmental	-	-	4,722	4,722	-
Interest income	48,000	45,110	46,754	1,644	75,818
Total revenues	2,024,215	1,861,560	1,896,088	34,528	1,913,455
EXPENDITURES					
Contract services	67,500	67,500	-	67,500	-
Uniforms	14,650	14,650	12,472	2,178	13,487
Data processing	58,000	18,000	9,386	8,614	335,940
Officer supplies and equipment	79,000	79,000	3,948	75,052	3,149
Books	5,700	5,700	5,451	249	5,118
Crime prevention supplies	6,000	6,000	3,989	2,011	5,959
Tactical employee training	13,500	13,500	3,352	10,148	5,343
Capital outlay	426,025	573,845	445,851	127,994	612,494
Debt service:					
Principal retirement	-	-	141,951	(141,951)	171,510
Interest charges	-	-	11,923	(11,923)	9,788
Total expenditures	670,375	778,195	638,323	139,872	1,162,788
EXCESS OF REVENUES OVER EXPENDITURES	1,353,840	1,083,365	1,257,765	174,400	750,667
OTHER FINANCING SOURCES (USES)					
Proceeds from right to use subscription assets	-	-	-	-	197,689
Transfers in	-	13,345	13,343	(2)	-
Transfers out	(1,507,125)	(1,507,125)	(1,507,125)	-	(1,328,845)
Total other financing sources (uses)	(1,507,125)	(1,493,780)	(1,493,782)	(2)	(1,131,156)
NET CHANGE IN FUND BALANCES	(153,285)	(410,415)	(236,017)	174,398	(380,489)
FUND BALANCES, beginning of year	1,148,535	1,148,535	1,148,535	-	1,529,024
FUND BALANCES, end of year	$ 995,250	$ 738,120	$ 912,518	$ 174,398	$ 1,148,535

City of Saginaw, Texas
Comparative Balance Sheets
Police Fund
September 30, 2025 and 2024

	2025	2024
ASSETS		
Deposits and investments	$ 105,041	$ 76,666
Receivables		
Other	-	9,702
TOTAL ASSETS	$ 105,041	$ 86,368
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable and accrued liabilities	$ 40	$ 164
Total liabilities	40	164
FUND BLANCES		
Restricted for crime prevention	105,001	86,204
Total fund balances	105,001	86,204
TOTAL LIABILITIES AND FUND BALANCES	$ 105,041	$ 86,368

City of Saginaw, Texas

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Police Fund
For the Fiscal Year Ended September 30, 2025 and 2024

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis 2024
	Original	Final			
REVENUE					
Miscellaneous	$ -	$ 23,000	$ 23,000	$ -	$ 70,134
Interest income	800	4,140	4,205	65	1,255
Total revenues	800	27,140	27,205	65	71,389
EXPENDITURES					
Supplies	10,000	5,000	5,442	(442)	10,048
Educational travel and training	2,500	2,500	2,966	(466)	2,742
Total expenditures	12,500	7,500	8,408	(908)	12,790
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(11,700)	19,640	18,797	(843)	58,599
FUND BALANCES, beginning of year	86,204	86,204	86,204	-	27,605
FUND BALANCES, end of year	$ 74,504	$ 105,844	$ 105,001	$ (843)	$ 86,204

City of Saginaw, Texas
Comparative Balance Sheets
Drainage Utility Fund
September 30, 2025 and 2024

	2025	2024
ASSETS		
Deposits and investments	$ 1,988,601	$ 1,470,088
Receivables		
Other	101,309	95,576
TOTAL ASSETS	$ 2,089,910	$ 1,565,664
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable and accrued liabilities	$ 14,712	$ 8,972
Total liabilities	14,712	8,972
FUND BALANCES		
Restricted for drainage	2,075,198	1,556,692
Total fund balances	2,075,198	1,556,692
TOTAL LIABILITIES AND FUND BALANCES	$ 2,089,910	$ 1,565,664

City of Saginaw, Texas

Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
Drainage Utility Fund
For the Fiscal Year Ended September 30, 2025 and 2024

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis 2024
	Original	Final			
REVENUE					
Interest income	$ 48,000	$ 66,180	$ 69,136	$ 2,956	$ 98,925
Charges for services	1,020,000	1,046,000	1,048,529	2,529	1,022,536
Total revenues	1,068,000	1,112,180	1,117,665	5,485	1,121,461
EXPENDITURES					
Uniforms	2,000	2,000	2,573	(573)	1,488
Officer supplies and equipment	60,000	60,000	55,534	4,466	43,273
Disposal costs	10,000	10,000	10,000	-	3,600
Maintenance and repairs	10,000	10,000	10,000	-	10,000
Employee training	6,500	6,500	6,144	356	11,164
Other	1,500	1,500	4,392	(2,892)	75
Capital outlay	175,000	187,760	161,481	26,279	1,567,142
Total expenditures	265,000	277,760	250,124	27,636	1,636,742
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	803,000	834,420	867,541	33,121	(515,281)
OTHER FINANCING USES					
Transfers out	(349,035)	(349,035)	(349,035)	-	(263,845)
Total other financing uses	(349,035)	(349,035)	(349,035)	-	(263,845)
NET CHANGE IN FUND BALANCES	453,965	485,385	518,506	33,121	(779,126)
FUND BALANCES, beginning of year	1,556,692	1,556,692	1,556,692	-	2,335,818
FUND BALANCES, end of year	$ 2,010,657	$ 2,042,077	$ 2,075,198	$ 33,121	$ 1,556,692

City of Saginaw, Texas
Comparative Balance Sheets
Street Maintenance Fund
September 30, 2025 and 2024

	2025	2024
ASSETS		
Deposits and investments	$ 3,166,645	$ 2,663,532
Receivables		
Taxes	108,035	105,016
TOTAL ASSETS	$ 3,274,680	$ 2,768,548
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable and accrued liabilities	$ 1,800	$ 5,587
Total liabilities	1,800	5,587
FUND BALANCES		
Restricted for street maintenance	3,272,880	2,762,961
Total fund balances	3,272,880	2,762,961
TOTAL LIABILITIES AND FUND BALANCES	$ 3,274,680	$ 2,768,548

City of Saginaw, Texas

Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
Street Maintenance Fund
For the Fiscal Year Ended September 30, 2025 and 2024

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis 2024
	Original	Final			
REVENUE					
Taxes	$ 638,015	$ 631,820	$ 640,159	$ 8,339	$ 639,206
Interest income	80,000	122,800	124,705	1,905	120,235
Total revenues	718,015	754,620	764,864	10,244	759,441
EXPENDITURES					
Maintenance and repairs	465,000	168,240	199,505	(31,265)	152,510
Capital outlay	978,700	68,020	55,440	12,580	88,451
Total expenditures	1,443,700	236,260	254,945	(18,685)	240,961
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(725,685)	518,360	509,919	(8,441)	518,480
FUND BALANCES, beginning of year	2,762,961	2,762,961	2,762,961	-	2,244,481
FUND BALANCES, end of year	$ 2,037,276	$ 3,281,321	$ 3,272,880	$ (8,441)	$ 2,762,961

City of Saginaw, Texas
Comparative Balance Sheets
Donations Fund
September 30, 2025 and 2024

	2025	2024
ASSETS		
Deposits and investments	$ 755,361	$ 735,272
Receivables		
Other	42,195	38,536
TOTAL ASSETS	$ 797,556	$ 773,808
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable and accrued liabilities	$ 41,646	$ 3,168
Unearned revenue	43,113	39,456
Total liabilities	84,759	42,624
FUND BALANCES		
Committed	712,797	731,184
Total fund balances	712,797	731,184
TOTAL LIABILITIES AND FUND BALANCES	$ 797,556	$ 773,808

City of Saginaw, Texas

Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
Donations Fund
For the Fiscal Year Ended September 30, 2025 and 2024

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis 2024
	Original	Final			
REVENUE					
Miscellaneous	$ 350,300	$ 350,300	$ 338,916	$ (11,384)	$ 340,600
Interest income	26,760	26,760	29,740	2,980	33,980
Total revenues	377,060	377,060	368,656	(8,404)	374,580
EXPENDITURES					
Contract services	69,630	87,425	88,203	(778)	86,870
Data processing	12,000	12,000	8,280	3,720	5,206
Supplies and equipment	119,000	90,750	96,854	(6,104)	120,385
Special programs	-	76,085	87,732	(11,647)	52,736
Maintenance and repairs	3,500	3,500	752	2,748	130
Other	2,500	2,500	13,790	(11,290)	25,496
Capital outlay	40,000	96,835	77,277	19,558	18,590
Principal retirement	-	-	2,704	(2,704)	2,568
Interest charges	-	-	796	(796)	932
Total expenditures	246,630	369,095	376,388	(7,293)	312,913
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	130,430	7,965	(7,732)	(15,697)	61,667
OTHER FINANCING SOURCES (USES)					
Transfers out	(10,655)	(10,655)	(10,655)	-	(10,530)
Total other financing sources (uses)	(10,655)	(10,655)	(10,655)	-	(10,530)
NET CHANGE IN FUND BALANCES	119,775	(2,690)	(18,387)	(15,697)	51,137
FUND BALANCES, beginning of year	731,184	731,184	731,184	-	680,047
FUND BALANCES, end of year	$ 850,959	$ 728,494	$ 712,797	$ (15,697)	$ 731,184

City of Saginaw, Texas
Comparative Balance Sheets
Beltmill PID Fund
September 30, 2025 and 2024

	2025	2024
ASSETS		
Deposits and investments	$ 94,638	$ 78,028
TOTAL ASSETS	$ 94,638	$ 78,028
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable and accrued liabilities	$ 1,592	$ 1,560
Total liabilities	1,592	1,560
FUND BALANCES		
Restricted for public improvements	93,046	76,468
Total fund balances	93,046	76,468
TOTAL LIABILITIES AND FUND BALANCES	$ 94,638	78,028

City of Saginaw, Texas

Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
Beltmill PID Fund
For the Fiscal Year Ended September 30, 2025 and 2024

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis 2024
	Original	Final			
REVENUE					
Taxes	$ -	$ 442,480	$ 442,482	$ 2	$ 495,819
Interest income	8,000	13,950	14,978	1,028	23,538
Total revenues	8,000	456,430	457,460	1,030	519,357
EXPENDITURES					
Contract services	496,290	496,290	440,882	55,408	963,668
Total expenditures	496,290	496,290	440,882	55,408	963,668
EXCESS (DEFICENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(488,290)	(39,860)	16,578	56,438	(444,311)
FUND BALANCES, beginning of year	76,468	76,468	76,468	-	520,779
FUND BALANCES, end of year	$ (411,822)	$ 36,608	$ 93,046	$ 56,438	$ 76,468

City of Saginaw, Texas
Comparative Balance Sheets
TIRZ 1 Fund
September 30, 2025 and 2024

	2025	2024
ASSETS		
Deposits and investments	$ 170,529	$ 108,864
TOTAL ASSETS	$ 170,529	$ 108,864
FUND BALANCES		
Restricted for public improvements	$ 170,529	$ 108,864
Total fund balances	170,529	108,864
TOTAL LIABILITIES AND FUND BALANCES	$ 170,529	$ 108,864

City of Saginaw, Texas

Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
TIRZ 1 Fund
For the Fiscal Year Ended September 30, 2025 and 2024

	Budgeted Amounts		Actual GAAP	Variance with Final Budget	Actual GAAP Basis
	Original	Final	Basis	Positive (Negative)	2024
REVENUE					
Taxes	$ 171,420	$ 175,900	$ 177,152	$ 1,252	$ 95,794
Interest income	3,600	6,985	7,198	213	3,024
Total revenues	175,020	182,885	184,350	1,465	98,818
EXPENDITURES					
Contract services	30,000	30,000	7,738	22,262	970.00
Inspections	-	120,600	114,947	5,653	-
Total expenditures	30,000	150,600	122,685	27,915	970
EXCESS (DEFICENCY) OF REVENUES OVER (UNDER) EXPENDITURES	145,020	32,285	61,665	29,380	97,848
FUND BALANCES, beginning of year	108,864	108,864	108,864	-	11,016.00
FUND BALANCES, end of year	$ 253,884	$ 141,149	$ 170,529	$ 29,380	$ 108,864

City of Saginaw, Texas
Comparative Balance Sheets
Escrow Fund
September 30, 2025 and 2024

	2025	2024
ASSETS		
Deposits and investments	$ 4,727,595	$ 4,345,255
Receivables		
Other	24,008	25,165
TOTAL ASSETS	$ 4,751,603	$ 4,370,420
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable and accrued liabilities	$ 4,357	$ 34,021
Total liabilities	4,357	34,021
FUND BALANCES		
Nonspendable:		
Prepaid items	-	3,420
Restricted	4,747,246	4,332,979
Total fund balances	4,747,246	4,336,399
TOTAL LIABILITIES AND FUND BALANCES	$ 4,751,603	$ 4,370,420

City of Saginaw, Texas

Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
Escrow Fund
For the Fiscal Year Ended September 30, 2025 and 2024

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis 2024
	Original	Final			
REVENUE					
Taxes	$ 93,980	$ 132,870	$ 124,823	$ (8,047)	$ 110,360
Fines and fees	16,380	35,570	36,028	458	26,688
Miscellaneous revenues	118,150	182,150	203,010	20,860	202,542
Interest income	137,545	190,610	196,360	5,750	196,797
Total revenues	366,055	541,200	560,221	19,021	536,387
EXPENDITURES					
Data processing	14,010	665	-	665	-
Entertainment	10,000	10,000	10,000	-	-
Supplies and equipment	-	-	3,745	(3,745)	5,084
Maintenance and repairs	86,500	40,500	38,293	2,207	207,184
Other	40,000	40,000	64,320	(24,320)	43,841
Capital outlay	15,000	167,425	144,605	22,820	10,395
Total expenditures	165,510	258,590	260,963	(2,373)	266,504
EXCESS (DEFICENCY) OF REVENUES OVER (UNDER) EXPENDITURES	200,545	282,610	299,258	16,648	269,883
OTHER FINANCING SOURCES (USES)					
Transfers in	102,945	161,445	137,945	(23,500)	457,266
Transfers out	(15,000)	(28,345)	(26,356)	1,989	(11,579)
Total other financing sources (uses)	87,945	133,100	111,589	(21,511)	445,687
NET CHANGE IN FUND BALANCES	288,490	415,710	410,847	(38,159)	715,570
FUND BALANCES, beginning of year	4,336,399	4,336,399	4,336,399	-	3,620,829
FUND BALANCES, end of year	$ 4,624,889	$ 4,752,109	$ 4,747,246	$ (38,159)	$ 4,336,399

City of Saginaw

Debt Service Fund

Used to account for the accumulation of resources for, and the payment of, general obligation long-term debt principal and interest.

City of Saginaw, Texas
Comparative Balance Sheets
Debt Service Fund
September 30, 2025 and 2024

	2025	2024
ASSETS		
Deposits and investments	$ 1,414,302	$ 1,482,289
Receivables		
Taxes, net of allowance	112,212	10,792
TOTAL ASSETS	$ 1,526,514	$ 1,493,081
DEFERRED INFLOWS AND FUND BALANCES		
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	$ 29,834	$ 10,793
Total deferred inflows of resources	29,834	10,793
FUND BALANCES		
Restricted for debt service	1,496,680	1,482,288
Total fund balances	1,496,680	1,482,288
TOTAL DEFERRED INFLOWS AND FUND BALANCES	$ 1,526,514	$ 1,493,081

City of Saginaw, Texas

Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
Debt Service Fund
For the Fiscal Year Ended September 30, 2025 and 2024

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis 2024
	Original	Final			
REVENUES					
Current and delinquent general property tax - debt service portion	$ 6,756,580	$ 6,725,000	$ 6,798,894	$ 73,894	$ 6,935,103
Penalties, interest and fees on delinquent taxes	7,000	5,500	5,391	(109)	23,250
Interest income	150,000	197,000	197,780	780	222,183
Total revenues	6,913,580	6,927,500	7,002,065	74,565	7,180,536
EXPENDITURES					
Bond principal payments	3,880,000	3,880,000	3,880,000	-	3,580,000
Bond interest	3,096,905	3,069,340	3,069,268	72	3,506,250
Fiscal charges and debt issuance costs	20,600	39,330	38,405	925	9,950
Total expenditures	6,997,505	6,988,670	6,987,673	997	7,096,200
EXCESS (DEFICENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(83,925)	(61,170)	14,392	75,562	84,336
Fund balances, beginning of year	1,482,288	1,482,288	1,482,288	-	1,397,952
FUND BALANCES, end of year	$ 1,398,363	$ 1,421,118	$ 1,496,680	$ 75,562	$ 1,482,288

City of Saginaw

Enterprise Fund

Used to account for operations of the City's water and wastewater activities that are financed and operated in a manner similar to those of private business enterprises. Services of this fund are intended to be self-supporting through user charges.

City of Saginaw, Texas
Comparative Statements of Net Position
Enterprise Fund
September 30, 2025 and 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Deposits and investments	$ 17,985,188	$ 11,859,414
Deposits and investments-restricted	235,193	210,871
Receivables:		
Accounts receivable, net of allowance of $89,631 in 2025 and $81,442 in 2024	1,077,344	948,190
Unbilled accounts	781,846	748,346
Prepaid	5,166	-
Total current assets	20,084,737	13,766,821
NONCURRENT ASSETS		
Capital assets, at cost:		
Land and land improvements	16,657	16,657
Buildings and improvements	154,587	154,587
Waterworks and wastewater system	49,512,267	49,440,156
Machinery and equipment	2,423,573	2,335,414
Right-to-use subscription assets	17,890	17,890
Construction in progress	1,454,700	1,387,510
Accumulated depreciation/amortization	(19,673,171)	(18,434,902)
Total capital assets, net of accumulated depreciation/amortization	33,906,503	34,917,312
Deposits and investments-restricted	770,504	756,159
Total noncurrent assets	34,677,007	35,673,471
Total assets	54,761,744	49,440,292
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge for refunding	-	5,566
Related to the TMRS pension	423,472	378,673
Related to the TMRS OPEB	7,567	10,339
Total deferred outflows of resources	431,039	394,578
LIABILITIES AND NET POSITION		
CURRENT LIABILTIES		
Accounts payable and accrued liabilities	963,342	1,286,238
Accrued interest	21,373	800
Subscriptions payable	5,959.00	5,681
Revenue bonds payable	488,118	160,000
Total current liabilities	1,478,792	1,452,719
NONCURRENT LIABILITIES		
Revenue bonds payable	5,010,000	325,000
Customer deposits	770,504	756,159
Subscriptions payable	-	5,959
Net pension liability	1,334,456	1,330,991
Total OPEB liability	45,571	46,546
Total noncurrent liabilities	7,160,531	2,464,655
Total liabilities	8,639,323	3,917,374
DEFERRED INFLOWS OF RESOURCES		
Related to the TMRS pension	109,027	56,443
Related to the TMRS OPEB	15,668	16,966
Total deferred inflows of resources	124,695	73,409
NET POSITION		
Net investment in capital assets	33,327,942	34,373,260
Restricted for		
Revenue bond retirement	235,193	210,871
Unrestricted	12,865,630	11,259,956
TOTAL NET POSITION	$ 46,428,765	$ 45,844,087

City of Saginaw, Texas
Comparative Statements of Net Position
Enterprise Fund
September 30, 2025 and 2024

	2025	2024
OPERATING REVENUE		
Water and sewer sales	$ 11,640,152	$ 11,240,608
Penalties	322,892	289,949
Surcharges	2,504,314	2,063,428
Miscellaneous	67,841	63,198
Total operating revenue	14,535,199	13,657,183
OPERATING EXPENSES		
Cost of sales and services	8,898,561	8,767,794
Administrative	3,481,492	2,910,534
Depreciation/amortization	1,238,269	1,151,127
Total operating expenses	13,618,322	12,829,455
Operating income	916,877	827,728
NONOPERATING REVENUES (EXPENSES)		
Investment income	601,785	616,289
Interest expense and agent fees	(17,319)	(18,238)
Total nonoperating revenues (expenses)	584,466	598,051
Income before capital contributions and transfers	1,501,343	1,425,779
CAPITAL CONTRIBUTIONS AND TRANSFERS		
Capital contributions	72,111	1,319,309
Intergovernmental	8,000	633,500
Impact and tap fees	133,378	117,982
Transfers out	(1,264,604)	(1,075,388)
Transfers in	134,450	123,600
Total capital contributions and transfers	(916,665)	1,119,003
Changes in net position	584,678	2,544,782
NET POSITION, beginning of year	45,844,087	43,299,305
NET POSITION, end of year	$ 46,428,765	$ 45,844,087

City of Saginaw, Texas

Comparative Statements of Cash Flows
Enterprise Fund
For the Fiscal Years Ended September 30, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 14,386,890	$ 13,708,327
Cash paid to employees	(1,477,029)	(1,441,262)
Cash paid to suppliers	(11,219,337)	(10,944,359)
Net cash provided by operating activities	1,690,524	1,322,706
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers out to other funds	(1,264,604)	(1,075,388)
Transfers from other funds	134,450	123,600
Net cash used in noncapital financing activities	(1,130,154)	(951,788)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from the issuance of bonds	5,173,118	633,500
Intergovernmental revenues	8,000	117,982
Impact and tap fees	133,378	11,640
Principal paid on SBITAs	(5,681)	-
Principal paid on bonds	(160,000)	(155,000)
Purchase of capital assets	(155,349)	(1,470,042)
Interest	8,820	(12,928)
Net cash used in capital and related financing activities	5,002,286	(874,848)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	601,785	616,289
Net cash provided by investing activities	601,785	616,289
Net change in cash	6,164,441	112,359
CASH AND CASH EQUIVALENTS, beginning of year	12,826,444	12,714,085
CASH AND CASH EQUIVALENTS, end of year	$ 18,990,885	$ 12,826,444

City of Saginaw, Texas

Comparative Statements of Cash Flows – Continued
Enterprise Fund
For the Fiscal Years Ended September 30, 2025 and 2024

	Current Assets	2025 Statement of Cash Flows Totals	2024 Statement of Cash Flows Totals
RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION			
Cash and cash equivalents, beginning of year	$ 11,859,414	$ 12,826,444	$ 12,714,085
Net increase (decrease)	6,125,774	6,164,441	112,359
CASH AND CASH EQUIVALENTS, end of year	$ 17,985,188	$ 18,990,885	$ 12,826,444
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income		$ 916,877	$ 827,728
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation/amortization		1,238,269	1,151,127
(Increase) Decrease in accounts receivable		(162,654)	50,484
(Increase) Decrease in prepaids		(5,166)	-
(Increase) Decrease in deferred outflows of resources-pension		(44,799)	127,057
(Increase) Decrease in deferred outflows of resources-OPEB		2,772	592
Increase (Decrease) in accounts payable and accrued expenses		(322,896)	(669,051)
Increase (Decrease) in customer deposits		14,345	660
Increase (Decrease) in net pension liability		3,465	(162,861)
Increase (Decrease) in total OPEB liability		(975)	3,706
Increase (Decrease) in deferred inflows of resources-pension		51,286	(6,736)
Net cash provided by operating activities		$ 1,690,524	$ 1,322,706
SUPPLEMENTAL SCHEDULE OF NONCASH FINANCING, CAPITAL AND INVESTING ACTIVITIES			
Capital-related accounts payable		$ 52,978	$ 52,978
Capital asset contributions from developers		$ 72,111	$ 1,319,309

City of Saginaw

Statistical Section
(Unaudited)

City of Saginaw

City of Saginaw, Texas

Statistical Section (Unaudited)

This part of the City of Saginaw's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents:

Financial Trends 110-119

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity..... 120-123

These schedules contain information to help the reader assess one of the government's most significant local source revenues, property taxes.

Debt Capacity..... 124-128

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information 129-131

This schedule offers demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information..... 132-133

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial reports relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Saginaw, Texas

Net Position by Component
Last Ten Fiscal Years

	2016	2017*	2018
GOVERNMENTAL ACTIVITIES			
Net investment in capital assets	$ 56,038,750	$ 62,510,664	$ 65,704,199
Restricted	1,267,190	1,120,206	6,958,205
Unrestricted	7,709,276	8,126,849	3,446,846
TOTAL GOVERNMENTAL ACTIVITES NET POSITION	65,015,216	71,757,719	76,109,250
BUSINESS-TYPE ACTIVITIES			
Net investment in capital assets	21,614,590	22,315,277	23,273,899
Restricted	444,944	175,662	179,178
Unrestricted	7,603,698	8,123,007	8,410,610
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	29,663,232	30,613,946	31,863,687
PRIMARY GOVERNMENT			
Net investment in capital assets	77,653,340	84,825,941	88,978,098
Restricted	1,712,134	1,295,868	7,137,383
Unrestricted	15,312,974	16,249,856	11,857,456
TOTAL PRIMARY GOVERNMENT NET POSITION	$ 94,678,448	$ 102,371,665	$ 107,972,937

*2017 restated for GASB 75

Table 1

2019	2020	2021	2022	2023	2024	2025
$ 70,565,446	$ 62,189,307	$ 84,992,122	$ 85,548,604	$ 95,130,777	$ 104,752,671	$ 108,044,676
7,659,462	7,491,338	9,112,393	10,690,770	11,132,250	11,310,993	12,573,594
263,251	17,660,209	1,805,245	2,094,593	6,461,869	5,569,543	4,804,590
78,488,159	87,340,854	95,909,760	98,333,967	112,724,896	121,633,207	125,422,860
24,688,409	28,198,820	29,067,806	29,787,001	32,511,297	34,373,260	33,327,942
184,466	185,900	185,657	187,413	198,001	210,871	235,193
9,664,848	8,317,961	8,013,996	9,676,642	10,590,007	11,259,956	12,865,630
34,537,723	36,702,681	37,267,459	39,651,056	43,299,305	45,844,087	46,428,765
95,253,855	90,388,127	114,059,928	115,335,605	127,642,074	139,125,931	141,372,618
7,843,928	7,677,238	9,298,050	10,878,183	11,330,251	11,521,864	12,808,787
9,928,099	25,978,170	9,819,241	11,771,235	17,051,876	16,829,499	17,670,220
$ 113,025,882	$ 124,043,535	$ 133,177,219	$ 137,985,023	$ 156,024,201	$ 167,477,294	$ 171,851,625

City of Saginaw, Texas
Changes in Net Position
Last Ten Fiscal Years

	2016	2017	2018
EXPENSES			
Governmental activities:			
General administrative office	$ 2,060,595	$ 1,924,614	$ 2,306,824
Municipal court	186,864	190,521	167,338
Fire	3,242,317	3,446,465	3,410,291
Police	4,434,955	4,616,528	4,732,436
Public works	3,435,053	3,705,943	3,717,371
Parks	294,992	348,531	345,716
Community services	1,076,293	1,130,034	1,141,716
Library	591,580	624,921	610,243
Inspections	824,509	861,619	563,502
Animal services	-	-	322,993
Fleet maintenance	439,379	513,948	499,089
Economic development	50,197	46,520	567,431
Information technology	-	-	-
Emergency management	-	-	-
Communications	-	-	-
Interest on long term debt	994,113	883,962	1,017,739
Total governmental activities	17,630,847	18,293,606	19,402,689
Business-type activities:			
Water and wastewater	8,355,662	9,167,424	10,295,498
Total business-type activities	8,355,662	9,167,424	10,295,498
Total primary government expenses	25,986,509	27,461,030	29,698,187
PROGRAM REVENUES			
Governmental activities:			
Fines, fees and charges for services:			
General administrative office	63,426	32,724	77,113
Municipal court	441,298	493,172	416,477
Fire	83,000	84,000	84,000
Police	4,314	3,822	4,439
Public works	592,078	754,462	776,501
Community services	646,004	665,004	692,897
Library	16,260	16,944	15,309
Inspections	939,380	961,945	1,025,588
Animal services *	-	-	20,044
Operating grants and contributions:			
General administrative office	-	-	-
Municipal court	-	-	-
Fire	29,134	54,529	30,833
Police	150,845	179,592	128,595
Public works	-	-	-
Parks	-	-	-
Community services	-	-	-
Library	-	-	-
Inspections	-	-	-
Animal services	-	-	-
Information technology	-	-	-
Capital grants and contributions:			
Fire	-	-	-
Police	-	-	-
Public works	1,549,780	5,835,552	2,544,847
TOTAL GOVERNMENTAL ACTIVITIES AND PROGRAM REVENUES	$ 4,515,519	$ 9,081,746	$ 5,816,643

* Prior to 2018 Animal services was included in Inspections

2019	2020	2021	2022	2023	2024	2025
$ 2,887,428	$ 2,801,551	$ 2,660,420	$ 3,053,160	$ 3,357,010	$ 4,811,236	$ 5,123,991
237,810	187,789	187,686	204,415	222,339	243,969	253,150
4,547,729	3,824,006	3,833,378	4,080,989	4,556,370	5,344,936	6,246,705
6,404,221	5,419,054	5,290,475	5,461,474	6,189,931	7,201,026	7,983,637
4,127,755	5,104,334	5,033,117	6,134,668	6,337,340	6,544,714	6,426,713
393,026	356,963	468,390	466,233	597,075	609,576	683,280
1,309,456	993,452	802,551	1,486,401	1,314,753	1,581,112	1,500,865
787,531	607,455	645,186	707,863	795,853	877,627	1,059,433
751,460	633,836	698,321	835,781	957,192	1,074,161	1,293,145
415,695	374,204	396,348	477,232	554,318	627,476	719,586
535,473	434,270	492,762	632,167	674,642	635,432	761,487
285,028	176,295	140,178	224,361	81,610	127,323	110,422
384,523	374,852	389,186	384,253	496,470	814,144	951,581
-	-	-	-	97,784	100,352	27,230
-	-	-	-	156,048	165,357	307,861
915,915	892,956	1,403,680	1,885,591	2,766,529	3,839,155	3,228,190
23,983,050	22,181,017	22,441,678	26,034,588	29,155,264	34,597,596	36,677,276
9,727,920	10,969,259	9,679,904	10,314,089	12,121,448	12,847,693	13,635,641
9,727,920	10,969,259	9,679,904	10,314,089	12,121,448	12,847,693	13,635,641
33,710,970	33,150,276	32,121,582	36,348,677	41,276,712	47,445,289	50,312,917
43,455	42,410	216,266	142,250	186,132	145,964	193,484
387,843	348,604	464,072	427,608	289,946	463,442	869,779
87,150	94,815	97,020	100,755	137,500	118,000	141,600
6,574	3,075	3,174	3,414	3,927	14,595	20,223
794,783	815,726	823,078	835,850	1,011,821	1,022,536	1,048,529
811,469	443,782	455,009	656,095	644,928	711,496	718,685
8,978	5,212	6,886	6,506	7,211	7,658	6,755
959,843	923,088	1,278,968	741,666	955,188	1,966,106	1,356,644
25,433	30,307	32,119	28,444	27,630	30,020	28,745
-	23,844	-	10,514	245,616	1,157,425	606,836
-	7,337	1,033	-	-	-	-
53,987	519,191	100,690	104,035	389,553	222,485	31,924
165,424	702,553	163,999	155,069	232,032	344,805	473,853
-	431,927	3,982	-	-	-	-
-	650	-	-	112,392	112,392	-
-	33,959	1,739	-	-	-	-
-	2,016	-	-	-	-	-
-	9,599	-	-	-	-	-
-	7,357	449	-	18,018	18,018	-
-	22,956	4,986	-	-	-	-
-	64,035	-	-	-	-	-
-	15,623	-	-	-	-	-
3,930,917	6,803,877	5,422,862	657,170	8,559,510	4,541,522	3,167,437
$ 7,275,856	$ 11,351,943	$ 9,076,332	$ 3,869,376	$ 12,821,404	$ 10,876,464	$ 8,664,494

City of Saginaw, Texas
Changes in Net Position
Last Ten Fiscal Years

	2016	2017	2018
BUSINESS-TYPE ACTIVITIES			
Charges for services:			
Water and wastewater	$ 8,733,275	$ 9,088,796	$ 10,434,663
Capital grants and contributions	967,271	1,447,523	1,360,420
Total business-type activities program revenues	9,700,546	10,536,319	11,795,083
Total primary government program revenues	14,216,065	19,618,065	17,611,726
NET (EXPENSES) REVENUE			
Governmental activities	(13,115,328)	(9,211,860)	(13,586,046)
Business-type activities	1,344,884	1,368,895	1,499,585
Total primary governmental net expenses	(11,770,444)	(7,842,965)	(12,086,461)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS			
Governmental activities:			
Taxes:			
Ad valorem	7,201,098	7,608,668	8,172,372
Sales	5,790,661	6,198,989	6,356,478
Franchise taxes	1,839,384	1,693,095	1,660,835
Other taxes	28,626	32,666	79,388
Penalties and interest	15,202	17,148	22,706
Interest income	84,200	214,428	475,921
Miscellaneous revenues	125,952	116,691	590,747
Transfers	551,405	590,530	579,130
Total governmental activities	15,636,528	16,472,215	17,937,577
Business-type activities:			
Interest income	26,998	63,794	145,445
Miscellaneous revenues	196,314	172,559	183,841
Transfers	(551,405)	(590,530)	(579,130)
Total business-type activities	(328,093)	(354,177)	(249,844)
Total primary government	15,308,435	16,118,038	17,687,733
CHANGES IN NET POSITION			
Governmental activities	2,521,200	7,260,355	4,351,531
Business-type activities	1,016,791	1,014,718	1,249,741
TOTAL PRIMARY GOVERNMENT	$ 3,537,991	$ 8,275,073	$ 5,601,272

2019	2020	2021	2022	2023	2024	2025
$ 10,327,466	$ 10,798,406	$ 10,672,524	$ 12,285,560	$ 13,213,107	$ 13,304,036	$ 14,144,466
2,233,163	2,706,220	43,434	870,159	2,540,150	2,070,791	213,489
12,560,629	13,504,626	10,715,958	13,155,719	15,753,257	15,374,827	14,357,955
19,836,485	24,856,569	19,792,290	17,025,095	28,574,661	26,251,291	23,022,449
(16,707,194)	(10,829,074)	(13,365,346)	(22,165,212)	(16,333,860)	(23,721,132)	(28,012,782)
2,832,709	2,535,367	1,036,054	2,841,630	3,631,809	2,527,134	722,314
(13,874,485)	(8,293,707)	(12,329,292)	(19,323,582)	(12,702,051)	(21,193,998)	(27,290,468)
8,911,747	9,670,822	10,451,254	11,782,661	13,952,095	15,294,001	16,033,406
6,809,346	7,262,055	8,855,456	9,494,855	10,450,488	10,147,310	10,166,679
1,764,936	1,612,023	1,561,343	1,629,409	1,783,344	1,703,659	1,660,073
105,233	77,679	109,813	129,131	131,023	147,483	145,603
14,604	12,581	10,590	33,148	20,101	52,754	12,310
657,032	255,256	22,000	446,409	3,480,247	4,187,287	2,644,827
244,135	183,708	298,496	373,271	123,476	145,161	9,383
579,070	607,645	625,300	700,535	784,015	951,788	1,130,154
19,086,103	19,681,769	21,934,252	24,589,419	30,724,789	32,629,443	31,802,435
236,213	97,645	4,846	72,329	491,175	616,289	601,785
184,184	139,591	149,178	170,173	309,280	353,147	390,733
(579,070)	(607,645)	(625,300)	(700,535)	(784,015)	(951,788)	(1,130,154)
(158,673)	(370,409)	(471,276)	(458,033)	16,440	17,648	(137,636)
18,927,430	19,311,360	21,462,976	24,131,386	30,741,229	32,647,091	31,664,799
2,378,909	8,852,695	8,568,906	2,424,207	14,390,929	8,908,311	3,789,653
2,674,036	2,164,958	564,778	2,383,597	3,648,249	2,544,782	584,678
$ 5,052,945	$ 11,017,653	$ 9,133,684	$ 4,807,804	$ 18,039,178	$ 11,453,093	$ 4,374,331

City of Saginaw, Texas

Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2016	2017	2018
GENERAL FUND			
Nonspendable:			
Prepaid items	$ -	$ -	$ -
Restricted:			
Assigned	537,510	1,167,595	885,540
Unassigned	10,155,535	10,480,993	10,714,852
TOTAL GENERAL FUND	$ 10,693,045	$ 11,648,588	$ 11,600,392
ALL OTHER GOVERNMENTAL FUNDS			
Nonspendable			
Prepaid items	$ -	$ -	$ -
Restricted:			
Debt service	1,306,703	1,153,415	1,115,474
Capital projects	10,566,997	12,597,897	7,208,691
Street maintenance	1,283,877	1,452,255	1,655,775
Crime prevention	591,654	524,886	535,811
Drainage	1,142,095	1,701,294	2,217,041
Public improvements	-	-	-
Other	1,160,365	1,162,875	1,487,451
Committed:			
Donations	293,437	272,446	324,644
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 16,345,128	$ 18,865,068	$ 14,544,887

Table 3

2019	2020	2021	2022	2023	2024	2025
$ -	$ 137,534	$ -	$ 800	$ 740	$ 18,206	$ 59,478
729,080	2,882,850	1,901,425	785,625	669,335	1,910,875	758,525
10,875,059	9,936,029	10,144,356	11,463,870	13,207,664	12,737,033	12,105,298
$ 11,604,139	$ 12,956,413	$ 12,045,781	$ 12,250,295	$ 13,877,739	$ 14,666,114	$ 12,923,301
$ -	$ -	$ -	$ -	$ 3,420	$ -	$ -
1,209,970	1,185,401	1,082,134	1,180,683	1,397,952	1,482,288	1,496,680
7,418,377	23,234,623	24,284,485	36,748,661	46,694,781	32,137,328	27,604,740
1,766,915	1,594,442	1,746,242	2,152,478	2,244,481	2,762,961	3,272,880
488,741	529,301	858,108	1,461,350	1,556,629	1,234,739	1,017,519
2,636,085	2,642,077	3,179,644	3,769,042	2,335,818	1,556,692	2,075,198
-	-	-	22,746	531,795	185,332	263,575
1,612,405	1,641,765	2,358,268	2,495,702	3,617,409	4,336,399	4,747,246
429,164	506,739	514,398	586,126	680,047	731,184	712,797
$ 15,561,657	$ 31,334,348	$ 34,023,279	$ 48,416,788	$ 59,062,332	$ 44,426,923	$ 41,190,635

City of Saginaw, Texas

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2016	2017	2018
REVENUES			
Taxes	$ 14,877,738	$ 15,540,413	$ 16,287,689
Licenses and permits	740,192	929,188	951,542
Charges for services	674,978	838,362	860,401
Fines and fees	656,746	542,873	525,876
Interest income	84,200	214,428	475,921
Recreation income	487,081	496,969	520,798
Intergovernmental	179,979	234,122	159,428
Miscellaneous revenues	1,010,725	326,507	1,091,494
Total revenues	18,711,639	19,122,862	20,873,149
EXPENDITURES			
Current:			
General administrative office	1,963,039	2,075,890	2,217,124
Municipal court	184,973	187,886	168,421
Fire	3,177,233	3,280,597	3,982,620
Police	4,075,546	4,273,272	4,638,904
Public works	1,263,892	1,354,767	1,609,303
Parks	266,949	352,766	339,015
Community services	918,907	990,618	959,782
Library	537,893	568,246	569,005
Inspections	825,017	849,217	579,082
Animal services *	-	-	398,633
City garage	399,692	471,007	456,219
Economic development	50,197	46,520	567,978
Information technology**			
Emergency management***			
Communications****			
Capital outlay	2,570,956	6,349,590	5,761,665
Debt service:			
Principal retirement	2,539,654	2,667,570	2,555,536
Interest charges	854,529	763,613	1,012,169
Fiscal agent's fees and debt issuance costs	203,483	144,905	5,200
Total expenditures	19,831,960	24,376,464	25,820,656
Excess (deficiency) of revenues over expenditures	(1,120,321)	(5,253,602)	(4,947,507)
Other financing sources (uses):			
Proceeds from right to use leased assets	-	-	-
Proceeds from right to use subscription assets	-	-	-
Proceeds from financed purchases	-	-	-
Issuance of debt	-	7,830,000	-
Proceeds from bond refunding	5,910,000	-	-
Premium on bond issuance	-	308,555	-
Payments to refunded bond escrow agent	(5,834,072)	-	-
Transfers in	1,726,230	1,697,052	1,705,322
Transfers out	(1,174,825)	(1,106,522)	(1,126,192)
Total other financing sources (uses)	627,333	8,729,085	579,130
Net change in fund balances	$ (492,988)	$ 3,475,483	$ (4,368,377)
Debt service as a percentage of noncapital expenditures	20.02%	19.37%	19.07%

* Prior to 2018 Animal services was included in Inspections
** Prior to 2019 Information technology was included in General administrative office
*** Prior to 2023 Emergency management was included in Fire
**** Prior to 2023 Communications was included in General administrative office

Table 4

2019	2020	2021	2022	2023	2024	2025
$ 17,610,628	$ 18,632,475	$ 20,976,412	$ 23,064,987	$ 26,351,166	$ 27,370,571	$ 27,992,817
858,901	773,813	668,169	502,521	392,973	1,399,816	873,750
881,933	910,541	920,098	936,605	1,149,321	1,140,536	1,190,129
529,770	536,473	1,117,050	705,117	894,359	1,086,755	1,394,074
657,032	255,256	22,000	446,409	3,480,247	4,187,287	2,644,827
524,686	162,412	163,056	344,113	314,980	369,929	378,034
219,411	2,661,433	5,326,134	802,187	3,642,245	2,357,498	3,887,935
555,747	509,849	1,054,895	851,327	1,232,207	723,417	615,833
21,838,108	24,442,252	30,247,814	27,653,266	37,457,498	38,635,809	38,977,399
2,536,360	2,692,380	3,073,314	3,116,047	3,190,352	4,732,953	4,679,208
212,743	187,064	191,718	212,097	217,935	246,829	252,300
3,826,258	3,965,267	3,864,642	4,158,484	4,237,521	4,813,648	5,630,507
5,358,286	5,072,762	5,103,232	5,421,737	5,565,890	6,811,019	7,451,128
1,835,898	2,330,346	1,652,954	2,579,899	2,318,296	2,295,707	2,427,698
379,478	538,609	337,404	319,152	408,079	434,246	466,100
998,499	811,155	645,986	1,367,624	1,124,311	1,423,295	1,303,771
601,026	568,571	626,724	708,877	741,632	847,927	1,002,218
600,849	625,717	716,646	906,530	921,566	1,060,919	1,254,732
329,854	389,122	471,758	483,263	526,138	616,106	697,343
434,837	392,030	457,527	665,366	634,734	603,252	723,343
243,050	176,840	140,178	224,361	81,610	127,323	110,422
327,680	427,319	398,731	398,691	456,127	635,865	750,352
				96,566	102,091	27,230
				154,339	165,285	301,376
2,276,933	6,464,727	16,290,487	12,188,359	16,380,964	21,447,958	28,505,152
2,495,000	3,015,000	2,725,000	3,160,000	3,526,007	3,795,289	4,071,077
886,610	741,720	1,391,033	1,536,376	2,785,516	3,520,032	3,085,859
53,300	376,873	193,968	290,867	244,257	9,950	499,452
23,396,661	28,775,502	38,281,302	37,737,730	43,611,840	53,689,694	63,239,268
(1,558,553)	(4,333,250)	(8,033,488)	(10,084,464)	(6,154,342)	(15,053,885)	(24,261,869)
-	-	-	-	-	31,612	-
-	-	-	-	113,530	223,451	-
-	-	-	-	337,911	-	-
2,000,000	17,345,000	8,435,000	22,260,000	15,590,000	-	17,410,000
	3,015,000	-	-	-	-	-
	3,414,982	751,487	1,721,952	1,601,874	-	742,614
	(2,924,412)	-	-	-	-	-
1,840,082	1,957,493	4,831,194	2,351,293	2,726,117	3,023,853	3,161,270
(1,261,012)	(1,349,848)	(4,205,894)	(1,650,758)	(1,942,102)	(2,072,065)	(2,031,116)
2,579,070	21,458,215	9,811,787	24,682,487	18,427,330	1,206,851	19,282,768
$ 1,020,517	$ 17,124,965	$ 1,778,299	$ 14,598,023	$ 12,272,988	$ (13,847,034)	$ (4,979,101)
17.29%	17.60%	19.33%	18.56%	23.18%	22.69%	20.36%

City of Saginaw, Texas **Table 5**

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	% of Current Tax Collected	Delinquent Tax Collections	Total Tax Collections	% of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	% of Delinquent Taxes to Tax Levy
2015/16	$ 7,175,560	$ 7,141,585	99.5%	$ 31,088	$ 7,172,673	100.0%	2,887	0.0%
2016/17	7,557,636	7,513,508	99.4%	39,420	7,552,928	99.9%	4,708	0.1%
2017/18	8,075,537	8,027,316	99.4%	39,061	8,066,377	99.9%	9,160	0.1%
2018/19	8,893,539	8,850,081	99.5%	37,326	8,887,407	99.9%	6,132	0.1%
2019/20	9,671,868	9,625,725	99.5%	38,231	9,663,956	99.9%	7,912	0.1%
2020/21	10,438,401	10,380,213	99.4%	48,045	10,428,258	99.9%	10,143	0.1%
2021/22	11,695,914	11,633,510	99.5%	49,213	11,682,723	99.9%	13,191	0.1%
2022/23	13,426,232	13,377,942	99.6%	29,218	13,407,160	99.9%	19,072	0.1%
2023/24	14,876,172	14,853,246	99.8%	(2,479)	14,850,767	99.8%	25,405	0.2%
2024/25	15,530,177	15,462,735	99.6%	-	15,462,735	99.6%	67,442	0.4%

City of Saginaw, Texas **Table 6**

Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property		Total		Property Tax Rate Per $100
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2015/16*	$ 962,111,241	$ 962,111,241	$ 354,242,308	$ 354,242,308	$ 1,316,353,549	$ 1,316,353,549	0.544000
2016/17	1,061,912,257	1,061,912,257	379,440,615	379,440,615	1,441,352,872	1,441,352,872	0.513000
2017/18	1,205,160,927	1,205,160,927	365,041,273	365,041,273	1,570,202,200	1,570,202,200	0.495000
2018/19	1,453,373,020	1,453,373,020	390,558,650	390,558,650	1,843,931,670	1,843,931,670	0.471800
2019/20	1,628,809,088	1,628,809,088	417,203,024	417,203,024	2,046,012,112	2,046,012,112	0.459000
2020/21	1,634,542,012	1,634,542,012	420,221,179	420,221,179	2,054,763,191	2,054,763,191	0.461579
2021/22	1,811,505,128	1,811,505,128	452,536,472	452,536,472	2,264,041,600	2,264,041,600	0.479516
2022/23	2,083,925,176	2,083,925,176	462,893,143	462,893,143	2,546,818,319	2,546,818,319	0.508042
2023/24	2,445,483,449	2,445,483,449	487,627,015	487,627,015	2,933,110,464	2,933,110,464	0.498769
2024/25	2,578,121,952	2,578,121,952	519,762,118	519,762,118	3,097,884,070	3,097,884,070	0.493747

Note: Assessed values are established by a central appraisal district on the basis of 100% of its appraised value. 9/1 Certified Net Taxable Value

** For 2015/2016 used February tax roll total. The September certified values did not include $98,175,368 in pending value due to delays caused by a software change at the appraisal district. All other years are September certified values.*

City of Saginaw, Texas **Table 7**

Property Tax Rates – All Direct and Overlapping Governments
Per $100 Assessed Value
Last Ten Fiscal Years

Fiscal Year	General Fund	Debt Service Fund	Total	School	County (1)	State	Total
2015/16	0.291937	0.252063	0.544000	1.540000	0.641397	0.000000	2.725397
2016/17	0.293308	0.219692	0.513000	1.540000	0.626627	0.000000	2.679627
2017/18	0.284186	0.210814	0.495000	1.540000	0.608489	0.000000	2.643489
2018/19	0.291129	0.180671	0.471800	1.540000	0.594499	0.000000	2.606299
2019/20	0.281655	0.177345	0.459000	1.518000	0.588599	0.000000	2.565599
2020/21	0.284238	0.177341	0.461579	1.496400	0.588599	0.000000	2.546578
2021/22	0.285058	0.194458	0.479516	1.457500	0.583599	0.000000	2.520615
2022/23	0.273156	0.234886	0.508042	1.434600	0.578599	0.000000	2.521241
2023/24	0.263959	0.234810	0.498769	1.247200	0.501170	0.000000	2.247139
2024/25	0.275330	0.218417	0.493747	1.245700	0.482280	0.000000	2.221727

Note(1) Column includes Tarrant County, Tarrant County College District and Tarrant County Hospital District

City of Saginaw, Texas **Table 8**

Principal Taxpayers
Current Year and Ten Years Ago

2025			2016		
Taxpayer	Assessed Valuation	% of Total Assessed Valuation	Taxpayer	Assessed Valuation	% of Total Assessed Valuation
Ventura Foods LLC	$ 54,483,000	1.76	Trinity Industries	$ 35,407,238	2.69
Miller Milling Company LLC	47,569,802	1.54	Miller Milling Company LLC	33,627,142	2.55
Fossil Creek 270, LLC (Cobalt Apartments)	44,800,000	1.45	Ventura Foods LLC	31,175,357	2.37
Ardent Mills/Cargill LLC	44,728,952	1.44	CTI Holdings LLC	19,543,940	1.48
Viterra USA Grain LLC/Gavilon Grain LLC	35,771,102	1.15	Wal-Mart Real Estate Business Trust	18,270,104	1.39
Trinity Industries Inc	33,450,655	1.08	Ardent Mills LLC	15,724,769	1.19
Oncor Electric Delivery Co LLC	32,118,265	1.04	ADM/Farmland Industries	15,694,112	1.19
Grand Saginaw LLC	30,791,244	0.99	BNSF Railway Company	13,324,117	1.01
Ergon Asphalt & Emulsions Inc	25,388,064	0.82	Trinity Tank Car Inc	13,101,738	1.00
Northwest Pipe Company	24,408,429	0.79	Universal Forest Products	12,469,913	0.95
		12.06			15.82

Source: Information obtained from Tarrant Appraisal District

City of Saginaw, Texas

Table 9

Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities									Business-Type Activities					Primary Government		
Fiscal Year	General Obligation Bonds	Certificates of Obligation Bonds	Financed Purchases	Tax Notes	Leases	Subscription Based IT Arrangements	Premiums/ Loss on Refundings	Net Pension OPEB Liability	Arbitrage Payable	Water and Sewer Bonds	Gen. Oblig. Refunding Bonds	Net Pension OPEB Liability	Subscription Based IT Arrangements	Premiums/ Loss on Refundings	Total All Debt	% of Personal Income *(a)*	Per Capita *(b)*
2015/16	$ 25,310,000	$ 2,440,000	$ 358,106	$ -	$ -	$ -	$ 477,503	$ -	$ -	$ 380,000	$ 2,000,000	$ -	$ -	$ 12,106	$ 30,977,715	5.44%	1,494
2016/17	30,980,000	2,110,000	180,535	-	-	-	729,335	-	-	150,000	1,810,000	-	-	6,918	35,966,788	6.10%	1,687
2017/18	28,765,000	1,950,000	-	-	-	-	672,612	-	-	100,000	1,615,000	-	-	1,730	33,104,342	4.79%	1,523
2018/19	26,435,000	1,785,000	-	2,000,000	-	-	615,889	-	-	50,000	1,420,000	-	-	-	32,305,889	4.77%	1,444
2019/20	25,735,000	17,345,000	-	1,570,000	-	-	3,764,136	-	-	-	1,220,000	-	-	-	49,634,136	7.10%	2,150
2020/21	31,890,000	17,310,000	-	1,160,000	-	-	4,270,201	-	-	-	1,010,000	-	-	-	55,640,201	7.42%	2,380
2021/22	51,315,000	17,210,000	-	935,000	-	-	5,660,633	-	-	-	790,000	-	-	-	75,910,633	9.08%	3,105
2022/23	63,810,000	17,110,000	273,827	705,000	-	76,606	6,850,893	13,723,397	-	-	640,000	1,536,692	-	-	104,726,415	10.44%	3,580
2023/24	60,885,000	16,685,000	207,331	475,000	31,612	151,265	6,439,285	12,435,690	1,016,083	-	485,000	1,377,537	11,640	-	100,200,443	8.86%	3,385
2024/25	75,450,000	15,885,000	138,333	240,000	26,886	33,740	6,733,177	12,455,837	1,016,083	4,990,000	325,000	1,380,027	5,959	183,118	118,863,160	11.93%	4,628

(a) See Schedule of Demographic Statistics on Table 14 for personal income data.
(b) See Schedule of Demographic Statistics on Table 14 for population data.

City of Saginaw, Texas **Table 10**

Ratio of General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Estimated Population	Assessed Value	Total General Bonded Debt	Less Amounts Available for Debt Service	Net General Bonded Debt	Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2015/16	20,740	$ 1,316,353,549	$ 28,227,503	$ 1,267,190	$ 26,960,313	2.14%	$ 1,300
2016/17	21,320	1,441,352,872	33,819,335	1,120,206	32,699,129	2.35%	1,534
2017/18	21,730	1,570,202,200	31,387,612	1,062,127	30,325,485	2.00%	1,396
2018/19	22,380	1,843,931,670	30,835,889	1,155,633	29,680,256	1.67%	1,326
2019/20	23,090	2,046,012,112	48,414,136	1,028,491	47,385,645	2.37%	2,052
2020/21	23,380	2,054,763,191	55,640,201	970,131	54,670,070	2.71%	2,338
2021/22	24,450	2,264,041,600	75,910,633	730,981	75,179,652	3.35%	3,075
2022/23	24,974	2,546,818,319	104,726,415	846,118	103,880,297	4.11%	4,160
2023/24	25,223	2,933,110,464	100,200,443	1,234,870	98,965,573	3.42%	3,924
2024/25	25,685	3,097,884,070	118,863,160	1,197,176	117,665,984	3.84%	4,581

General Bonded Debt total includes Premiums and Deferred Loss on Refunding Bonds.

City of Saginaw, Texas **Table 11**

Computation of Direct and Overlapping Bonded Debt
September 30, 2025

Jurisdiction	Net Debt Outstanding	Percentage Applicable to City of Saginaw	Amount Applicable to City of Saginaw
City of Saginaw	$ 98,308,177	100.00%	$ 98,308,177
Subtotal: City of Saginaw direct debt			98,308,177
Eagle Mountain-Saginaw Independent School District	1,452,246,626	19.05%	276,724,538
Tarrant County	330,997,000	1.11%	3,685,356
Tarrant County Hospital District	447,131,000	1.11%	4,978,405
Tarrant County College District	603,708,686	1.11%	6,721,758
Subtotal: overlapping debt			292,110,057
Total direct and overlapping debt			$ 390,418,234
Ratio of direct and overlapping funded debt to taxable assessed valuation			12.60%
Per capita direct and overlapping bonded debt			$ 15,200

Source: Individual taxing entities and Tarrant Appraisal District
Note: Percentage of overlap based on net taxable value

City of Saginaw, Texas **Table 12**

Schedule of Revenue Bond Coverage
Last Ten Fiscal Years

Year	Gross Revenue (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest and Fiscal Charges	Total	Coverage Ratio
2015/16	$ 9,538,475	$ 7,420,919	$ 2,117,556	$ 510,000	$ 106,371	$ 616,371	3.44
2016/17	9,961,902	8,383,924	1,577,978	420,000	70,984	490,984	3.21
2017/18	11,342,975	9,477,554	1,865,421	245,000	55,563	300,563	6.21
2018/19	11,225,184	8,903,304	2,321,880	245,000	52,841	297,841	7.80
2019/20	11,366,978	10,025,116	1,341,862	250,000	46,996	296,996	4.52
2020/21	10,873,942	8,619,791	2,254,151	210,000	34,238	244,238	9.23
2021/22	12,568,192	9,239,744	3,328,448	220,000	25,572	245,572	13.55
2022/23	14,025,791	10,998,142	3,027,649	150,000	21,208	171,208	17.68
2023/24	14,391,454	11,678,328	2,713,126	155,000	18,238	173,238	15.66
2024/25	15,270,362	12,380,053	2,890,309	160,000	17,319	177,319	16.30

Notes:
1. Operating revenues and nonoperating revenues of Enterprise Fund excluding contributed assets.
2. Total operating expenses of Enterprise Fund exclusive of depreciation.

City of Saginaw, Texas **Table 13**

Computation of Legal Debt Margin
Year Ended September 30, 2025

Article XI, Section 5 of the State of Texas Constitution states in part:

> ". . . no tax for any purpose shall ever be lawful for any one year, which shall exceed two and one-half percent of the taxable property of such city."

As a home rule city, the City of Saginaw, Texas is not limited on the amount of debt it may issue. The City's Charter provides that general property taxes are limited to $1.50 per $100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation bonds.

The rate for fiscal year 2025 was established at $.493747 per $100 of assessed valuation based on 100% of appraised value.

City of Saginaw, Texas **Table 14**

Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Income (1)	School Enrollment (2)	Unemployment Rate (3)
2015/16	20,740	$ 569,416,700	$ 27,455	19,582	4.10%
2016/17	21,320	589,839,120	27,666	19,293	3.40%
2017/18	21,730	691,818,010	31,837	20,050	3.20%
2018/19	22,380	677,285,940	30,263	21,027	3.20%
2019/20	23,090	698,772,670	30,263	21,378	6.30%
2020/21	23,380	749,399,140	32,053	22,382	4.50%
2021/22	24,450	835,921,050	34,189	23,145	3.50%
2022/23	24,974	856,857,940	34,310	23,415	3.90%
2023/24	25,223	963,947,391	38,217	23,923	4.00%
2024/25	25,685	995,935,875	38,775	24,187	4.00%

Sources:
1. US Census Bureau Quick Facts
2. Eagle Mountain-Saginaw Independent School District
   Enrollment is for the district. Enrollment for schools within the City of Saginaw is 5,778.
3. Bureau of Labor Statistics

City of Saginaw, Texas **Table 15**

Principal Employers
Current Year and Ten Years Ago

2025			2016		
Employer	**Employees**	**Percentage of Total City Employment**	**Employer**	**Employees**	**Percentage of Total City Employment**
Eagle Mountain-Saginaw ISD	3,570	29%	Eagle Mountain-Saginaw ISD	2,304	23%
Walmart Supercenter #5316	417	3%	Trinity North Amer. Freight Car	800	8%
Ventura Foods	387	3%	Wal Mart Supercenter #5316	500	5%
Trinity North Amer. Freight Car	370	3%	CTI Chefco Foods	356	4%
Chefco Foods	356	3%	Bana Box Inc.	218	2%
Bana Incorporated	218	2%	Ventura Foods	215	2%
United Forestry Products, LLC	208	2%	Russo Corporation	200	2%
Russo Corporation	200	2%	Ranger Fire	200	2%
DOS - Standard Meat	189	2%	DOS - Standard Meat	189	2%
Texas Army National Guard	185	1%	Texas Army National Guard	185	2%

Source: City Economic Development Department.
EMS ISD employment is for the district. Employment for district facilities within the City of Saginaw is 767.

City of Saginaw, Texas **Table 16**

Full-Time Equivalent City Government
Employees by Function/Program
Last Ten Fiscal Years

	Full-time Equivalent Employees as of October 1									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Function/Program										
General government:										
Administration	10.0	9.0	9.0	9.0	10.0	9.0	8.0	8.0	8.0	8.0
Municipal court	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Information technology *	2.0	2.0	2.0	2.0	2.0	2.0	2.0	-	-	-
Public Safety:										
Fire	30.0	30.0	29.0	29.0	30.0	30.0	28.0	27.0	27.0	27.0
Emergency management	1.0	1.0	1.0	1.0	-	-	-	-	-	-
Police	49.5	49.5	55.5	55.5	53.0	53.0	50.0	46.5	46.5	45.5
Public Works:										
Streets	10.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Parks maintenance	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Building inspections	8.0	8.0	8.0	8.5	6.0	5.0	4.0	4.0	4.0	4.0
Code enforcement	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Animal services	6.5	6.0	6.0	6.0	6.0	4.5	4.5	4.5	4.5	4.5
City garage	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Economic development	-	-	-	-	-	-	1.0	-	-	-
Community services	9.0	9.0	8.5	8.5	7.5	7.5	7.5	7.5	7.0	7.0
Communications	1.0	1.0	1.0	1.0	-	-	-	-	-	-
Library	9.0	9.0	9.0	9.0	8.5	8.0	8.0	8.0	8.0	8.0
Water/wastewater	19.0	19.0	20.0	20.0	19.0	18.0	18.0	17.0	17.0	16.0
Drainage	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Total	165.0	162.5	168.0	168.5	161.0	156.0	150.0	141.5	141.0	139.0

Source: City Budgets/Human Resources
*Previously reported in Administration

City of Saginaw, Texas

Operating Indicators by Function/Program
Last Ten Fiscal Years

	Fiscal Year					
	2025	2024	2023	2022	2021	2020
Function/Program						
Police:						
Stations	1	1	1	1	1	1
Licensed Officers	41	41	41	41	41	41
Patrol units on duty at any one time	4	4	4	4	4	4
Fire:						
Stations	2	2	2	2	2	2
Firefighter/paramedics	27	27	26	26	26	26
Library :						
Number of libraries	1	1	1	1	1	1
Volumes in collection	60,650	58,456	58,589	54,847	60,703	60,990
Average monthly circulation	8,628	8,391	6,833	6,148	5,558	5,541
Average monthly visitors	4,275	5,001	4,498	4,298	3,851	3,419
Public works:						
Streets (miles)	97.8	97.8	96.6	94.9	94.9	92.9
Streetlights	1,417	1,386	1,355	1,321	1,321	1,321
Parks and recreation:						
Acreage	108.022	108.022	108.022	107.593	107.593	103.69
Parks	7	7	7	7	7	7
Recreation Centers	1	1	1	1	1	1
Senior/community Centers	1	1	1	1	1	2
Water:						
Number of water customers	8,687	8,558	8,445	8,402	8,383	8,347
Annual water consumption (1,000 gallons)	1,281,519	1,323,383	1,370,287	1,422,720	1,267,426	1,175,194
Daily consumption (1,000 gallons)	3,511	3,626	3,754	3,898	3,472	3,220
Water mains (miles)	128.1	128.0	126.8	123.9	122.3	122.3
Fire hydrants *	1,211	1,211	1,198	1,171	1,171	1,171
Storage capacity (thousands of gallons)	4,250	4,250	4,250	4,250	4,250	4,250
Wastewater:						
Number of wastewater customers	8,469	8,343	8,237	8,201	8,184	8,164
Wastewater treated annually (1,000 gallons)	952,133	1,039,494	927,762	847,252	949,816	940,582
Sanitary sewers (miles)	93.4	93.4	92.1	90.1	90.1	90.1
Storm sewers (miles)	24.5	24.5	23.4	21.7	21.6	20.3

Sources: Various city departments.
Note: No capital asset indicators are available for the general government.
* Number of fire hydrants restated as a result of mapping update

Fiscal Year			
2019	2018	2017	2016
1	1	1	1
41	40	39	38
4	4	4	4
2	2	2	2
26	25	24	24
1	1	1	1
59,893	59,220	59,029	58,302
7,438	7,599	7,358	7,522
5,977	6,250	6,653	6,690
89.4	86.6	85.4	83.4
1,223	1,198	1,187	1,135
101	101	101	101
7	7	7	7
1	1	1	1
2	2	2	2
8,052	7,841	7,606	7,427
1,077,595	1,106,653	1,020,550	967,332
2,952	3,032	2,796	2,643
119.0	116.4	114.9	113.7
1,139	835	823	809
4,250	4,250	4,250	4,250
7,878	7,700	7,477	7,307
1,027,571	838,637	804,134	915,347
87.3	85.0	83.9	83.1
18.5	17.9	17.1	17.0

City of Saginaw, Texas

Continuing Financial Disclosure Tables

The Continuing Financial Disclosure Tables portion of the Statistical section presents various financial data originally distributed in a debt official statement. The City is required to update financial tables originally distributed in a debt official statement within six months after the end of each fiscal year. The financial tables that follow are updated through September 30, 2025. The last debt issue was sold in fiscal year ending September 30, 2025. This information is also sent to the Municipal Securities Rule Making Board (the "MSRB") or filed with the United States Securities and Exchange Commission (the "SEC") as permitted by SEC Rule 15c2-12. The information is also available to the public on the MSRB's Internet Website www.emma.msrb.org.

City of Saginaw, Texas
Continuing Financial Disclosure Tables
General Obligation Tables

ASSESSED VALUATION		TABLE GO-1
2024 Actual Total Appraised Value of Taxable Property (100% of Actual)*		$ 3,729,651,455
Less Adjustments to Market Value:		
Agriculture Productivity Value Loss	5,098,865	
Abatement	-	
Disabled and Deceased Veterans' Exemptions	54,438,320	
Freeport Property	90,688,798	
Local, Option Over-65 / Disabled	162,988,514	
Pollution Control	293,702	
Solar/Wind/Other	11,203,898	
Totally Exempt Property	222,935,274	
Cases before ARB, Incomplete Accounts & In process	84,120,014	
Total Adjustments to Market Value:		631,767,385
2024 Certified Net Taxable Assessed Valuation		$ 3,097,884,070

*See "AD VALOREM TAX PROCEDURES" and "CITY APPLICATION OF THE TEXAS TAX CODE" in the Official Statement for a description of the Issuer's taxation procedures.

Source: Tarrant County Appraisal District - September certified values

GENERAL OBLIGATION BONDED DEBT	TABLE GO-2
(As of September 30, 2025)	
General Obligation Debt Principal Outstanding:	
General Obligation Refunding and Improvement Bonds, Series 2013	$ 3,795,000
General Obligation Bonds, Series 2015	4,320,000
General Obligation Refunding Bonds, Series 2015	325,000
General Obligation Refunding Bonds, Series 2016	850,000
General Obligation Bonds, Series 2017	5,265,000
2019 Tax Note	240,000
General Obligation Refunding Bonds, Series 2020	590,000
2020 Certificates of Obligation	15,885,000
General Obligation Bonds, Series 2021	6,985,000
General Obligation Bonds, Series 2022	21,045,000
General Obligation Bonds, Series 2023	15,190,000
2025 Certificates of Obligation	4,990,000
General Obligation Bonds, Series 2025	17,410,000
Total Gross General Obligation Debt Principal Outstanding:	$ 96,890,000
Less: Self-Supporting General Obligation Debt Principal	
General Obligation Refunding Bonds, Series 2015	$ 325,000
2025 Certificates of Obligation	4,990,000
Total Self-Supporting General Obligation Debt	$ 5,315,000
Total Net General Obligation Debt Principal Outstanding:	$ 91,575,000
General Obligation Interest and Sinking Fund Balance as of September 30, 2024	$ 1,496,680
Ratio of Gross General Obligation Debt Principal to 2024 Net Assessed Valuation	3.13%
Ratio of Net General Obligation Debt Principal to 2024 Net Assessed Valuation	2.96%
2024 Net Taxable Assessed Value	$ 3,097,884,070
Population: 1980 - 5,736; 1990 - 8,551; 2000 - 12,374; Current (Estimate) -	25,685
Per Capita 2024 Net Taxable Assessed Valuation -	$ 120,611
Per Capita Gross General Obligation Debt Principal -	$ 3,772
Per Capita Net General Obligation Debt Principal -	$ 3,565

OTHER OBLIGATIONS **TABLE GO-3**

Financed Purchase Obligations

The City entered into agreements for the lease-purchase of public safety equipment, with the total capitalized cost of $376,450 and an amortized value of $202,377 at September 30, 2025.

The following is a schedule of future minimum payments under the capital lease together with the present value of the net minimum lease payments as of September 30, 2025.

Fiscal Year	Future Minimum Payments
2026	$ 76,800
2027	69,250
Total minimum payments	$ 146,050
Less: amount representing interest	(7,717)
Present value of future minimum payments	$ 138,333

FUND BALANCES **TABLE GO-4**

(As of September 30, 2025)

General Operating Fund (Undesignated)		$ 6,528,301
General Obligation Debt Service (I&S) Fund		1,496,680
Special Revenue Funds		12,089,215
Capital Projects Fund		27,604,740
Enterprise Fund (Undesignated)		7,469,718
Revenue Bond Reserve		184,190
Revenue Bond Debt Service (I&S) Reserve		41,412
General Fund Emergency Reserve		6,395,000
Enterprise Fund Emergency Reserve		3,746,000
Enterprise Fund (Designated)		1,659,503
	Total	$ 67,214,759

City of Saginaw, Texas

Continuing Financial Disclosure Tables

General Obligation Tables

PRINCIPAL TAXPAYERS 2024-2025 **TABLE GO-5**

Name	Type of Business	2024 Net Taxable Assessed Valuation	% of Total 2024 Net Taxable Assessed Valuation
Ventura Foods LLC	Food Processing Plant	$ 54,483,000	1.76%
Miller Milling Company LLC	Food Processing Plant	47,569,802	1.54%
Fossil Creek 270, LLC (Cobalt Apartments)	Housing	44,800,000	1.45%
Ardent Mills/Cargill LLC	Food Processing Plant	44,728,952	1.44%
Viterra USA Grain LLC/Gavolin Grain LLC	Warehouse/Storage	35,771,102	1.15%
Trinity Industries	Manufacturing	33,450,655	1.08%
Oncor Electric Delivery Co LLC	Commercial Utility	32,118,265	1.04%
Grand Saginaw LLC	Housing	30,791,244	0.99%
Ergon Asphalt & Emulsions Inc	Construction	25,388,064	0.82%
Northwest Pipe Company	Manufacturing	24,408,429	0.79%
	Total	$ 373,509,513	12.06%

2024 Net Taxable Assessed Valuation on August 19, 2024 $ 3,097,884,070

Source: Tarrant County Appraisal District

PROPERTY TAX RATES AND COLLECTIONS **TABLE GO-6**

Tax Year	Net Taxable Assessed Valuation	Tax Rate	Tax Levy	% Collections Current	% Collections Total	Fiscal Year Ended
2015	$ 1,316,353,549	0.5440	$ 7,175,560	99.53%	99.96%	9-30-16
2016	1,441,352,872	0.5130	7,557,636	99.42%	99.94%	9-30-17
2017	1,570,202,200	0.4950	8,075,537	99.40%	99.89%	9-30-18
2018	1,843,931,670	0.4718	8,893,539	99.51%	99.93%	9-30-19
2019	2,046,012,112	0.4590	9,671,868	99.52%	99.92%	9-30-20
2020	2,054,763,191	0.4616	10,438,401	99.44%	99.90%	9-30-21
2021	2,264,041,600	0.4795	11,695,914	99.47%	99.89%	9-30-22
2022	2,546,818,319	0.5080	13,426,232	99.64%	99.86%	9-30-23
2023	2,933,110,464	0.4988	15,530,177	99.57%	99.57%	9-30-24
2024	3,097,884,070	0.4937	15,530,177	99.57%	99.57%	9-30-25

Source: Tarrant County Appraisal District, and the City's Annual Comprehensive Financial Reports.

TAX RATE DISTRIBUTION **TABLE GO-7**

	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
General Fund	$0.2753	$0.2640	$0.2732	$0.2851	$0.2842	$0.2817	$0.2911	$0.2842
I & S Fund	$0.2184	$0.2348	$0.2349	$0.1945	$0.1773	$0.1773	$0.1807	$0.2108
TOTAL	$0.4937	$0.4988	$0.5080	$0.4795	$0.4616	$0.4590	$0.4718	$0.4950

GENERAL FUND COMBINED STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCES **TABLE GO-8**

	Fiscal Year Ended September 30					
	2025	**2024**	**2023**	**2022**	**2021**	**2020**
Revenues:						
Taxes	$ 17,959,304	$ 17,233,402	$ 16,957,443	$ 15,824,110	$ 14,703,088	$ 13,071,890
Licenses and Permits	873,750	1,399,816	392,973	502,521	668,169	773,813
Charges for Services	141,600	118,000	137,500	100,755	97,020	94,815
Fines and Fees	1,358,046	1,060,067	880,286	682,650	1,092,420	517,883
Interest Income	796,312	1,122,002	946,360	102,447	6,911	113,140
Recreation Income	378,034	369,929	314,980	344,113	163,056	162,412
Intergovernmental	638,760	1,469,470	796,605	216,784	229,848	1,423,032
Miscellaneous Revenues	50,907	110,141	154,715	198,132	170,872	182,049
Total Revenues	$ 22,196,713	$ 22,882,827	$ 20,580,862	$ 17,971,512	$ 17,131,384	$ 16,339,034
Expenditures:						
Current:						
General administrative office	$ 3,240,290	$ 2,643,868	$ 2,385,061	$ 2,324,967	$ 2,601,057	$ 1,798,896
Municipal court	252,300	246,829	217,935	212,097	191,718	187,064
Fire	5,630,507	4,813,648	4,237,521	4,158,484	3,864,642	3,965,267
Police	7,404,122	6,429,233	5,484,621	5,363,151	5,018,523	5,001,254
Public works	2,427,698	2,295,707	2,318,296	2,579,899	1,652,954	1,916,939
Parks	466,100	434,246	408,079	319,152	337,404	538,609
Community services	1,303,771	1,423,295	1,124,311	1,309,153	645,986	811,155
Library	1,002,218	847,927	741,632	708,877	626,724	568,571
Inspection	1,139,785	1,060,919	921,566	906,530	716,646	625,717
Animal services	697,343	616,106	526,138	483,263	471,758	389,122
Fleet Maintenance	723,343	603,252	634,734	665,366	457,527	392,030
Economic development	110,422	127,323	81,610	224,361	140,178	176,840
Information technology	750,352	635,865	456,127	398,691	398,731	427,319
Emergency management*	27,230	102,091	96,566	-	-	-
Communications**	301,376	165,285	154,339	-	-	-
Capital Outlay	1,284,412	1,771,280	1,195,849	-	-	-
Debt service:						
Principal retirement	46,422	41,211	36,631	-	-	-
Interest charges	3,872	3,062	636	-	-	-
Total Expenditures	$ 26,811,563	$ 24,261,147	$ 21,021,652	$ 19,653,991	$ 17,123,848	$ 16,798,783
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (4,614,850)	$ (1,378,320)	$ (440,790)	$ (1,682,479)	$ 7,536	$ (459,749)
Other Financing Sources (Uses):						
Proceeds from right to use leased assets	$ -	$ 31,612	$ -	$ -	$ -	$ -
Transfers In	3,009,982	2,566,587	2,342,502	2,119,143	1,956,513	1,884,758
Transfers Out	(137,945)	(457,266)	(383,615)	(232,150)	(2,874,681)	(72,735)
Proceeds from right to use subscription assets	-	25,762	92,433	-	-	-
Proceed from financed purchases	-	-	16,914	-	-	-
Total Other Financing Sources (Uses)	$ 2,872,037	$ 2,166,695	$ 2,068,234	$ 1,886,993	$ (918,168)	$ 1,812,023
Excess (Deficiency) of Revenues/Other Sources Over (under) Expenditures/Other Uses	(1,742,813)	788,375	1,627,444	204,514	(910,632)	1,352,274
Fund Balance - Beginning of Year	14,666,114	13,877,739	12,250,295	12,045,781	12,956,413	11,604,139
Fund Balance - September 30	$ 12,923,301	$ 14,666,114	$ 13,877,739	$ 12,250,295	$ 12,045,781	$ 12,956,413

Source: The Issuer's Comprehensive Annual Financial Reports

City of Saginaw, Texas

Continuing Financial Disclosure Tables

Revenue Debt Tables

REVENUE BOND DEBT PRINCIPAL DATA — **TABLE REV-1**

(As of September 30, 2025)

Revenue Bond Debt Principal Outstanding:	
	$ -
Total Revenue Debt Principal Outstanding	$ -
Plus: Waterworks and Sewer System General Obligation Debt Principal	
General Obligation Refunding Bonds, Series 2015	325,000
Combination Tax and Revenue Certificates of Obligation, Series 2025	4,990,000
Total Waterworks and Sewer System General Obligation Debt	$ 5,315,000
Total Revenue Debt Principal Outstanding	$ 5,315,000

CONDENSED WATERWORKS AND WASTEWATER SYSTEM OPERATING STATEMENT — **TABLE REV-2**

	Fiscal Year Ending September 30				
	2025	**2024**	**2023**	**2022**	**2021**
Revenues[(a)]	$ 15,270,362	$ 14,391,454	$ 14,025,791	$ 12,568,192	$ 10,868,948
Expenses	12,380,053	11,678,328	10,998,142	9,239,744	8,619,791
Net Revenue Available for Debt Service	$ 2,890,309	$ 2,713,126	$ 3,027,649	$ 3,328,448	$ 2,249,157
Annual Revenue Bond Debt Service Requirements	$ -	$ -	$ -	$ -	$ -
Revenue Debt Service Coverage	x -	x -	x -	x -	x -
Annual Debt Service Requirements for all Bonds Paid from System Revenues	$ 168,820	$ 167,672	$ 165,642	$ 240,006	$ 234,171
Debt Service Coverage on all Bonds Paid from System Revenues	x 17.12	x 16.18	x 18.28	x 13.87	x 9.60
Customer Count :					
Water	8,687	8,558	8,445	8,402	8,383
Wastewater	8,469	8,343	8,237	8,201	8,184
[(a)] *Does not include Impact Fees of:*	$ -	$ -	$ -	$ -	$ 4,994

Revenues include operating, interest income, and tap fees. Impact fees are not included in revenues and may be used for debt service, if required.

COVERAGE OF THE BONDS — **TABLE REV-3**

(As of September 30, 2025)

Fiscal Year 2025 Net Revenues Available for Debt Service	$ 2,890,309
Following the Issuance of the Bonds:	
Maximum Revenue Debt Service Requirement Excluding Self-Supporting General Obligation Debt	$ -
Coverage	-
Maximum Debt Service Requirement Including Self-Supporting General Obligation Debt (2025)	$ 561,475
Coverage	5.15
Average Annual Revenue Debt Service Requirement Excluding General Obligation Debt	$ -
Coverage	-
Average Annual Debt Service Requirement Including Self-Supporting General Obligation Debt (2025-2027)	$ 402,780
Coverage	7.18

SELF-SUPPORTING WATERWORKS AND WASTEWATER SYSTEM OBLIGATIONS HISTORICALLY PAID FROM NET SYSTEM REVENUES **TABLE REV-4**

(As of September 30, 2025)

	Principal Outstanding	Amount of Principal Self-Supporting
General Obligation Refunding Bonds, Series 2015	$ 325,000	$ 325,000
Combination Tax and Revenue Certificates of Obligation, Series 2025	4,990,000	4,990,000
Total	$ 5,315,000	$ 5,315,000

Fiscal Year Ending Sept. 30	Self-Supporting General Obligation Debt Requirements	Waterworks and Wastewater System Debt Service	Total Debt Service Being Supported by Net System Revenues
2026	$ 561,475	$ -	$ 561,475
2027	551,823	-	551,823
2028	385,556	-	385,556
2029	387,056	-	387,056
2030	388,056	-	388,056
2031	383,556	-	383,556
2032	383,806	-	383,806
2033	383,556	-	383,556
2034	387,806	-	387,806
2035	386,306	-	386,306
2036	384,306	-	384,306
2037	386,806	-	386,806
2038	386,206	-	386,206
2039	385,206	-	385,206
2040	383,806	-	383,806
2041	386,638	-	386,638
2042	388,463	-	388,463
2043	383,838	-	383,838
2044	383,763	-	383,763
2045	387,575	-	387,575
	$ 8,055,603	$ -	$ 8,055,603

REVENUE BONDS AUTHORIZED BUT UNISSUED **TABLE REV-5**

Date Authorized	Purpose	Amount Authorized	Issued To Date	Unissued
06-30-51	Wastewater Improvements	$ 100,000	$ 20,000	$ 80,000

Note: The City has no plans to issue these bonds.

WATER RATES **TABLE REV-6**

(Based on Monthly Billing)

	Rates Effective October 1, 2024
Residential	
First 2,000 Gallons	$16.00 (minimum)
3,000 to 10,000 Gallons	4.95 /M Gallons
Over 10,000 Gallons	5.29 /M Gallons
Multi-Family (Per Dwelling Unit)	
First 2,000 Gallons	$16.00 (minimum)
3,000 to 8,000 Gallons	5.29 /M Gallons
Over 8,000 Gallons	6.38 /M Gallons
Commercial / Industrial	
First 2,000 Gallons	$16.00 (minimum)
3,000 to 10,000 Gallons	5.29 /M Gallons
Over 10,000 Gallons	6.38 /M Gallons

PRINCIPAL WATER CUSTOMERS 2023-2024 **TABLE REV-7**

(As of September 30, 2025)

Name of Customer	Average Monthly Consumption (Gals.)	Average Monthly Bill
CTI Foods	$ 9,990,750	$ 63,723
Ventura Foods	3,774,667	24,126
DOS Project	2,970,167	18,944
City of Saginaw	1,478,000	8,847
Eagle Mountain/Saginaw ISD	1,212,583	7,726
Fossil Creek 270, LLC (Prose apartments)	1,156,417	8,318
The Grand Saginaw, LLC (apartments)	1,067,583	7,639
Beltmill Saginaw, LLC	997,667	5,317
Ergon Asphalt & Emulsions, Inc.	751,500	4,782
Fuel City Saginaw, LLC	718,500	4,573
Total	$ 24,117,834	$ 153,995

WASTEWATER RATES **TABLE REV-8**

(Based on Monthly Billing)

	Rates Effective October 1, 2024
Residential	
First 2,000 Gallons	$23.49 (minimum)
Next 18,000 Gallons	3.69 /M Gallons
Multi-Family (Per Dwelling Unit)	
First 2,000 Gallons	$23.49 (minimum)
Over 2,000 Gallons	6.41 /M Gallons
Commercial / Industrial (Non-Monitored)	
First 2,000 Gallons	$25.79 (minimum)
Over 2,000 Gallons	6.41 /M Gallons
Commercial / Industrial (Monitored)	
First 2,000 Gallons	Based on Formula
Over 2,000 Gallons	6.41 /M Gallons

PRINCIPAL WASTEWATER CUSTOMERS 2023-2024 **TABLE REV-9**

(As of September 30, 2025)

Name of Customer	Average Monthly Bill
Fossil Creek 270, LLC (Prose apartments)	$ 7,181
Grand Saginaw, LLC (apartments)	6,596
Ashton Apartments	6,005
Eagle Mountain/Saginaw ISD	5,542
The Ruston, LLC (apartments)	4,340
Villas at Willow Creek, LLC	3,038
Saginaw Crossing Apartments	2,917
Livestock Nutrition Center - Saginaw	2,812
King Laundry, LP	2,300
IMO US West, LLC (car wash)	2,266
Total	$ 42,998

WASTEWATER SYSTEM PRODUCTION **TABLE REV-10**

Volumes, average daily and peak daily flow for the Wastewater System for the past ten years are shown below.

Fiscal Year	Annual Sewage Flow (000s Gallons)	Average Daily Flow (000s GPD)	Peak Daily Flow and Date (MGD)	
2016	915,347	2,508	6.2	12-28-15
2017	804,134	2,203	6.3	09-14-17
2018	838,637	2,298	4.7	03-01-18
2019	1,027,571	2,815	6.0	10-16-18
2020	940,582	2,577	6.0	03-16-20
2021	949,816	2,602	6.8	05-25-21
2022	847,252	2,321	5.6	08-22-22
2023	927,762	2,542	5.1	02-08-23
2024	1,039,494	2,848	5.9	04-28-24

Federal Awards Section

City of Saginaw

2300 North Field Street, Suite 1000
Dallas, Texas 75201
972-490-1970

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Honorable Mayor and City Council
City of Saginaw, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Saginaw, Texas (the City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 29, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 29, 2026

2300 North Field Street, Suite 1000
Dallas, Texas 75201
972-490-1970

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance

The Honorable Mayor and City Council
City of Saginaw, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Saginaw, Texas (the City's) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS): the standards applicable to financial audit contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*): and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 29, 2026

City of Saginaw, Texas

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended September 30, 2025

I. Summary of the Auditor's Results:

Financial Statements

a. An unmodified opinion was issued on the financial statements.

b. Internal control over financial reporting:

Material weakness(es) identified?	Yes	X No
Significant deficiency(ies) identified that are not considered a material weakness?	Yes	X None Reported

c. Noncompliance material to financial statements noted? Yes X No

Major Program(s)

d. Internal control over major program(s):

Material weakness(es) identified?	Yes	X No
Significant deficiency (ies) identified that are not Considered a material weakness?	Yes	X None Reported

e. An unmodified opinion was issued on compliance for major Federal programs.

f. Any audit findings disclosed that were required to be reported in accordance with 2 CFR 200.516(a)? Yes X No

g. Identification of major program(s):

Program/Cluster Name	Assistance Listing #	Amount
Coronavirus State and Local Fiscal Recovery Funds	21.027	$ 3,036,567

h. The dollar threshold used to distinguish between type A and type B programs. $1,000,000

i. Auditee qualified as a low-risk auditee? Yes X No

II. Findings Relating to the Financial Statements Which Are Required To Be Reported in Accordance with *Generally Accepted Government Auditing Standards*.

There were no matters reported.

III. Findings and Questioned Costs for Federal Awards

There were no matters reported.

City of Saginaw, Texas

Summary of Prior Audit Findings
For the Fiscal Year Ended September 30, 2024

IV. Summary of Prior Year Findings

There were no matters reported.

City of Saginaw, Texas
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2025

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass-through Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed Through Tarrant County			
Community Development Block Grants Entitlement/Special Purpose Grants Cluster	14.218	N/A	$ 180,000
Total U.S. Department of Housing and Urban Development			180,000
U.S. DEPARTMENT OF TRANSPORTATION			
Passed Through Texas Department of Transportation			
Highway Planning and Construction	20.205	0013-10-091	289,131
Total U.S. Department of Transportation			289,131
U.S. DEPARTMENT OF TREASURY			
Direct Awards			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	3,036,567
Total U.S. Department of Treasury			3,036,567
Total Expenditures of Federal Awards			$ 3,505,698

City of Saginaw, Texas
Notes to Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2025

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City and is presented on the modified accrual basis of accounting as described in Note 1 to the basic financial statements for the year ended September 30, 2025.

The City elected not to use the de minimis indirect cost rate as allowed in the Uniform Guidance, section 414.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the City provided no federal awards to subrecipients.

Note 3. Non-Cash Assistance

The City received non-cash assistance from Texas Department of Transportation in the form of landscaping and irrigation systems during the fiscal year ended September 30, 2025. The expenditures are listed within the Schedule of Expenditures of Federal Awards under the Highway Planning and Construction grant for $289,131.

Note 4. Loans

At year-end, the City had no loans or loan guarantees outstanding with federal awarding agencies.